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INTERNATIONAL AGRICULTURE AND TRADE REPORT

United States  
Department of  
Agriculture

Economic  
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WRS-95-4  
February 1996

# EUROPE

Situation and Outlook Series



High-Value Products Dominate U.S. Exports to Europe

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## INTERNATIONAL AGRICULTURE AND TRADE REPORTS

# EUROPE

### Situation and Outlook Series

#### **Economics Editors**

Elizabeth Jones  
Linda Scott  
(202) 219-0619

#### **Contributors**

Nancy Cochrane  
Elizabeth Jones  
Mary Lisa Madell  
Mary Anne Normile  
Linda Scott  
Timothy B. Smith

#### **Technical Editor**

Diane Decker

#### **Data/Graphics**

#### **Coordinator**

Timothy B. Smith

#### **Cover Photo**

Elizabeth Jones

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Agricultural Outlook  
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may be accessed elec-  
tronically. For details,  
call (202) 219-0515.

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## Weights and Measures

The metric system of weights and measures is used in this report. The following are conversions to the U.S. system of weights and measures.

1 hectare (ha) = 2.47109 acres

1 kilogram (kg) = 2.204622 pounds

1 liter = 1.0567 quarts

1 metric tons of liquid milk = 971 liters

1 metric ton (mt) = 2,204.622 pounds

1 metric ton = 1.102311 short tons

1 metric ton of wheat = 36.7437 bushels

1 metric ton of corn = 39.368 bushels

1 metric ton of barley = 45.9296 bushels

The December 1995 exchange rate of \$1.30 per ECU is used in this report.



# Summary

## ***EU Remains Growing Market for U.S. High-Value Products***

U.S. agricultural exports to the European Union (EU) are expected to rise 3.4 percent in fiscal 1996 to \$8.7 billion, due mainly to higher oilseed prices and expanding sales of horticultural products. During October 1994/September 1995, U.S. agricultural exports to the EU were valued at \$8.4 billion, compared with \$6.8 billion a year earlier. U.S. farm imports from the EU in fiscal 1996 are expected to remain unchanged from the previous year at \$5.8 billion. Beverages, including wine and malt beverages, accounted for more than one-quarter of U.S. agricultural imports from the region in fiscal 1995, followed by dairy products (mainly cheese and casein), grains and feeds—including biscuits, wafers, and pasta—and vegetables and preparations.

U.S. high-value exports to the EU accounted for a record share of U.S. agricultural exports to the EU-12 in calendar year 1994. Strong growth in consumer foodstuffs and declining export values for bulk commodities due to increased foreign competition and declining grain prices, were largely responsible for the growing importance of high-value product trade. Exports of corn gluten feed have consistently been the largest single high-value export to the EU. However, the EU is also a growth market for U.S. fruits, vegetables, wine, and tree nuts, with the export value of these products growing by almost half over the last 5 years. Continued income growth in the EU, trade concessions under the Uruguay Round (UR) Agreement on Agriculture, and a low U.S. dollar compared with major EU currencies should help sustain strong demand for U.S. high-value products in 1996 and beyond.

U.S. exports of high-value products to Central and Eastern Europe (CEE) have doubled in the last 5 years and many sectors should continue to grow as consumer purchasing power improves and market access widens under the UR accords. In 1995, exports of feeds and fodders, fruit, fruit juices, vegetables, and chocolate will achieve 10-year highs, while nuts and oil cake and oil meals will reach post-transition highs. However, the eventual accession of CEE countries to the European Union will likely hamper U.S. exports as the principle of "community preference" drives out non-EU goods.

EU grain production is expected to expand in 1996 largely because the set-aside rate has been lowered in response to tight supplies. The EU began the 1995/96 marketing year by suspending export subsidies for wheat, and placed an export tax on wheat in early December. Unsubsidized wheat exports have kept EU wheat on the world market, but the EU is not expected to exceed its export subsidy limits set under the Uruguay Round Agreement on Agriculture.

Oilseed production rose in 1995 despite reduced total area, led by a sharp increase in rapeseed area and yields. Oilseed area and production are expected to increase in 1996 as Spain recovers from a drought-reduced 1995 crop and as the set-aside rate is reduced from 12 to 10 percent. Producers also will be less wary of incurring large payment cuts, because no penalties under the Blair House Agreement were assessed this year.

Higher prices, cyclical factors, and booming export demand have increased beef and veal production for the first time since 1991. Resurgent exports to Russia and the Middle East have depleted stocks, prompting speculation that the beef intervention system would be suspended by the end of the year. The long-term downward trend in consumption continues, attributed to lower prices for competing meats and lingering consumer uncertainty due to health concerns. A small increase in production is again expected in 1996, as slaughter numbers increase and carcass weights rise.

Higher prices failed to boost pork production in 1995 as hot summer weather slowed growth rates and reduced the number of pigs available for slaughter. Poultry production grew slowly in 1995, and is forecast to decline in 1996. Uncertainty is facing future EU pigmeat and poultry exports as UR limits on subsidized exports take hold and U.S. competition stiffens in East Asian and Japanese markets for pork and in Central and Eastern Europe and Russia for poultry.

The EU released its reform proposal for the fruits and vegetable sector, the latest in a series of reforms to the EU Common Agricultural Policy that began in 1992. The proposal is a modest one that would reduce payments to farmers to withdraw surplus production from the market while strengthening the role of producer organizations. The EU's extensive system of import barriers, export refunds, and processing subsidies would remain largely intact, with adjustments for UR implementation.

Grain and oilseed production increased significantly in Central and Eastern Europe in 1995, largely the result of good weather. Livestock inventories are also showing signs of recovery. If further transition toward a market economy can be realized, the region has good potential to generate large surpluses of raw agricultural commodities, especially grains and livestock products. Such surpluses are likely to have significant implications for the region's eventual integration into the EU and for the future of U.S. trade with the region.



# Oilseeds, Feeds, and Fodder Lead U.S. Export Surge in 1995

*U.S. exports of grains and feeds and oilseeds to the EU increased strongly in fiscal 1995. In fiscal 1996, oilseed exports are expected to decline, while rice exports are projected to rise and corn and corn gluten feed remain about unchanged from fiscal 1995. U.S. imports of agricultural products from the EU dropped in volume terms in fiscal 1995, but posted some increases in value terms. The value of the U.S. dollar relative to European currencies will strongly influence imports in fiscal 1996. [Mary Lisa Madell]*

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U.S. agricultural exports to the 15 countries of the European Union (EU) increased strongly in fiscal 1995, led by substantial growth in sales of oilseeds and feeds and fodders (table 1.1 and 1.2). U.S. agricultural imports from the EU rose in value terms, but the increase largely reflected a weak U.S. dollar, rather than increased volume. Most major categories of U.S. imports from the EU registered declines.

The EU was the United States' largest supplier of agricultural imports in fiscal 1995, and was its largest supplier of high-value agricultural products (HVP's). U.S. HVP imports from the EU include meat (primarily pork), dairy products, vegetables, wine, and beer. High-value products account for most U.S. agricultural imports from the EU, from which the United States buys very few bulk commodities. In addition, the EU is the United States' main competitor in HVP exports (see "HVPs Dominate U.S. Exports to the EU," elsewhere in this report).

## **U.S. Oilseed and Feed Exports Strong in Fiscal 1995**

U.S. agricultural exports to the EU increased more than 24 percent from a year earlier in fiscal 1995, largely on the strength of surging exports of feeds and fodders and oilseeds. Exports of feeds and fodders increased nearly 28 percent in value terms (more than 33 percent in volume), and oilseed sales grew more than 58 percent. The increase in oilseed exports was concentrated in higher soybean sales (up nearly 51 percent), but sales of soybean meal and vegetable oils also increased. U.S. exports of oilseed products and feeds and fodders benefited from strong grain prices inside the EU.

U.S. exports of pulses, tobacco, cotton, and rice also rose. Only a few categories showed decreases. Both pork and beef exports slowed compared with fiscal 1994, but poultry exports increased. Wheat flour exports also declined but this is a relatively minor category that shows very large swings from year to year.

## **U.S. Agricultural Imports from the EU**

U.S. agricultural imports from the EU reflected the relative weakness of the U.S. dollar, which makes imports from the EU more expensive. Beef and pork imports dropped in both value and volume terms, but many other volume declines were hidden by increased import value. For example, imports of fruit juices, while increasing about 8 percent in value terms, declined close to 14 percent in volume terms. Imports of EU

grains and feeds, olives, and oilseeds and products showed a similar development.

Some traditional U.S. imports from the EU increased in fiscal 1995. Chief among them were wine and malt beverages, the largest single category in value terms. Gains for these imports were larger in value than in volume terms. Imports of pasta and noodles, and biscuits and wafers also increased.

## **Lower U.S. Oilseed Exports to the EU Expected For Fiscal 1996**

U.S. soybean exports will face increased competition from other oilseeds in fiscal 1996. The EU produced a near-record 1995 oilseed crop led by higher rapeseed production. A large part of the expanded rapeseed production was due to an increase in industrial rapeseed. Rapeseed for industrial uses does not compete directly with soybeans, but meal from industrial oilseeds competes with soybean meal. A large reduction in Spanish sunflowerseed production will boost EU sunflowerseed imports. Nevertheless, total U.S. oilseed exports to the EU will be slightly lower, with soybean exports down, and sunflowerseed sales up.

EU use of soybean meal is expected to remain largely unchanged, as meal prices increase but remain competitive with high grain prices. Soybean meal will face increased competition from rapeseed and sunflowerseed meals from higher EU domestic crush. EU demand for soybean meal will be met more through meal imports and slightly less by domestic crush of (mostly) imported soybeans.

Fiscal 1996 U.S. exports of grains and feeds to the EU will remain close to 1994/95's level of roughly \$2.0 billion. Rice exports are expected to increase and corn exports should remain strong as EU corn supplies are still low because of the Spanish drought.

U.S. exports of high quality wheat to the EU should benefit from the EU's new method of calculating import protection. Under the variable levy system that was eliminated beginning July 1, 1995, high value wheat exports faced a very large levy that was calculated based on the lowest available wheat price. Now, the levy is calculated based on reference prices for wheat of high, medium, and low quality. Current high world prices have resulted in a zero levy for high quality wheat.

U.S. corn exports to the EU were high during fiscal 1995 because of continued drought in Spain that reduced internal



**Table 1.1. U.S. agricultural imports from EU-15, fiscal years 1993-1995 1/**

Commodity	1993	1994	1995	Share of total 1995	% change 1995/1994
	----- Million dollars -----			----- Percent -----	
Animals & animal products	1 025.3	1 092.8	1 156.0	21.9	5.8
Beef & veal	6.3	7.2	5.7	0.1	-21.3
Pork	248.1	304.4	224.6	3.8	-26.2
Dairy products	537.5	557.1	643.2	11.0	15.4
Cheese	319.9	338.3	376.7	6.4	11.3
Casein & mixtures	196.1	187.0	230.5	3.9	23.3
Grains & feeds	395.8	515.6	548.1	9.4	6.3
Biscuits & wafers	159.6	173.9	193.6	3.3	11.3
Pasta & noodles	82.8	113.1	133.8	2.3	18.3
Fruit & preps, including fruit juice	207.6	188.9	210.3	3.6	11.3
Fruits (prep/pres)	64.4	64.4	73.3	1.3	13.8
Fruit juices	132.6	110.7	119.4	2.0	7.9
Nuts & preps	10.8	12.0	12.2	0.2	1.4
Vegetables & preps	418.5	486.7	513.7	8.8	5.5
Olives	139.8	139.8	146.8	2.5	5.0
Oilseeds & products	305.5	280.0	354.2	6.1	26.5
Olive oil	231.9	223.1	293.1	5.0	31.4
Sugar & related products	144.8	130.9	184.3	3.2	40.8
Confectionery products	140.5	125.4	181.1	3.1	44.4
Beverages, excluding fruit juices	1 433.1	1 520.4	1 624.5	27.8	6.8
Wine	859.7	907.1	961.4	16.5	6.0
Malt beverages	562.1	606.8	657.8	11.3	8.4
Cut flowers, nursery stock	178.4	188.7	220.1	3.8	16.7
Coffee & products	87.4	110.9	234.2	4.0	111.3
Cocoa & products	176.1	180.4	193.6	3.3	7.3
Other	554.6	573.0	591.2	10.1	3.2
TOTAL	4 938.0	5 280.4	5 842.4	100.0	10.6

Commodity	1993	1994	1995	Share of total 1995	% change 1995/1994
	----- Thousand tons -----			----- Percent -----	
Pork	89.3	116.2	69.3	---	-40.4
Cheese	90.1	101.0	96.3	---	-4.6
Casein & mixtures	42.9	44.7	48.9	---	9.3
Grains and feeds	571.3	1 246.3	999.8	---	-19.8
Biscuits & wafers	48.2	52.3	57.4	---	9.7
Pasta & noodles	99.1	131.4	149.9	---	14.1
Fruit (prep/pres)	58.0	63.6	62.6	---	-1.5
Fruit juices (HL)	3 942.9	3 664.6	3 166.8	---	-13.6
Olives	57.1	58.6	52.7	---	-10.1
Oilseeds & products	206.5	151.9	143.4	---	-5.6

1/ Year beginning October 1. Source: USDA, Foreign Agricultural Statistics of the United States.



**Table 1.2. U.S. agricultural exports to EU-15, fiscal years 1993-95 1/**

Commodity	1993	1994	1995	Share of total	% change
	Million dollars			1995	1995/1994
	-----			Percent	
Animals & animal products	626.2	699.9	842.6	10.0	20.4
Meat & meat products	150.5	113.2	119.7	1.4	5.7
Beef & veal	29.8	27.9	27.5	0.3	-1.4
Pork	10.0	5.3	4.6	0.1	-12.8
Poultry meat	42.0	48.4	59.5	0.7	23.0
Grains & feeds	1 482.1	1 495.7	2 004.3	23.7	34.0
Wheat, unmilled	65.3	88.4	137.6	1.6	55.6
Wheat flour	0.6	1.8	1.0	0.0	-43.8
Rice	105.5	109.2	137.2	1.6	25.7
Feed grains & products	184.9	249.4	457.9	5.4	83.6
Feeds & fodders, excluding oilcake	967.5	920.5	1 174.1	13.9	27.5
Fruits & preps including fruit juice	439.3	439.3	544.3	6.4	23.9
Grapefruit	62.3	51.0	55.4	0.7	8.6
Raisins	88.9	89.7	105.7	1.2	17.8
Nuts and preps	546.5	649.7	879.1	10.4	35.3
Almonds	334.1	449.3	544.3	6.4	21.1
Vegetables & preps	407.9	383.1	512.6	6.1	33.8
Pulses	87.1	76.1	102.2	1.2	34.2
Oilseeds & products	2 328.7	1 922.6	3 038.4	35.9	58.0
Soybean meal	148.8	39.5	93.6	1.1	136.8
Soybeans	1 816.9	1 607.2	2 428.1	28.7	51.1
Vegetable oils	95.0	71.6	124.7	1.5	74.1
Tobacco	626.0	492.3	589.8	7.0	19.8
Cotton, excluding linters	128.8	96.5	147.0	1.7	52.4
Other	655.9	623.9	628.7	7.4	0.8
TOTAL	7 241.4	6 803.0	8 463.9	100.0	24.4

Commodity	1993	1994	1995	Share of total	% change
	Thousand tons			1995	1995/1994
	-----			Percent	
Meat & meat products	53.6	47.7	61.9	---	29.7
Beef & veal	4.2	3.9	4.6	---	17.3
Pork	3.1	1.3	2.3	---	76.1
Poultry meats	36.6	47.0	50.2	---	6.9
Grains & feeds	10 268.3	10 268.3	14.8	---	-99.9
Wheat	417.4	503.1	719.8	---	43.1
Wheat flour	2.4	7.5	3.5	---	-53.0
Rice	413.0	323.1	482.6	---	49.4
Feed grains & products	1 636.8	1 983.1	3 993.1	---	101.4
Feeds, fodders, excluding oilcake	7 240.9	6 931.4	9 278.3	---	33.9
Nuts & preps	317.9	243.9	425.1	---	74.3
Oilseeds & products	10 715.5	7 714.4	13 541.7	---	75.5
Soybean meal	729.7	202.0	518.4	---	156.7
Soybeans	8 311.2	6 410.5	10 996.1	---	71.5
Vegetable oils	132.6	85.5	148.7	---	73.9
Tobacco	99.7	73.7	89.1	---	20.8
Cotton, excluding linters	85.2	63.5	74.9	---	18.0

1/ Year beginning October 1.

Source: USDA, Foreign Agricultural Statistics of the United States.



## EU Rivals U.S. as HVP Exporter

The EU is both a major supplier of high-value agricultural products to the United States and a major HVP competitor with the United States in other world markets. According to United Nations data, 8 of the 10 leading HVP exporters are EU countries (including intra-EU trade). Most of the EU's agricultural exports are destined for other EU countries, where they do not face any trade barriers. By contrast, U.S. exports face substantial barriers in the EU market.

The EU also provides stiff competition for HVP's on the world market. Many EU agricultural and processed products benefit from well-established internationally known product images and often have special regional designations. Examples include cheeses such as Brie, Camembert, Gouda, and Stilton, quality wines, and processed products such as Belgian chocolate and Italian pastas. EU high-value product exports have also benefited from export subsidies and a protected internal market. However, the characteristics of its HVP's also allow the EU to compete on non-price factors.

### **Uruguay Round Agreement Will Affect Future High-Value Product Exports**

The Uruguay Round (UR) Agreement on Agriculture has its greatest impact on bulk agricultural products, but will also affect EU high-value product exports. The UR agreement limits expenditures on domestic support, so the EU is prohibited from further expanding production through domestic subsidies. The agreement also imposes quantity and value limits on export subsidies for cheese, meats, wine, fruits and vegetables, and value limits on processed product exports.

*Cheese:* The UR export subsidy commitments significantly reduce the EU's subsidized cheese exports from current levels. The EU currently exports some cheese, chiefly soft cheeses, without export subsidies (about 70,000 tons out of nearly 500,000 total). Unsubsidized cheese exports are expected to grow, but total cheese exports will nonetheless be constrained by the UR limits.

*Beef:* At current and expected world prices, the EU cannot export beef without the benefit of export subsidies. Therefore, the UR agreement reduces EU beef exports below what would be expected without the agreement.

*Pork and poultry:* The EU currently relies on export subsidies for its pork and poultry exports. The UR limits on subsidies will constrain exports of both. The EU is expected to make unsubsidized exports of some high-priced cuts of pork to traditional markets in Asia, and some poultry to the Middle East.

*Wine:* The EU subsidizes exports of lower quality wines, but the higher quality wines, comparable to U.S. wines, do not receive subsidies. However, they do benefit from well-funded national promotional campaigns. High quality wines account for about 30 percent of EU wine output, but between 40 and 60 percent of extra-EU exports for the major producers such as France, Italy, and Germany. The UR limits should not affect the production or export of these higher quality wines.

*Fruits and vegetables:* UR commitments apply to fresh fruits and vegetables (aggregated) and to processed fruits and vegetables. The EU's export subsidies on apples, for example, have had a measurable impact on the world market. The EU could target particular fresh or processed fruits and vegetables to benefit from export subsidies. This could lessen the benefit of export subsidy commitments for the United States.

*Processed products:* The UR agreement places a limit only on export subsidy expenditures for processed products. The expenditure limits imply a 48-percent reduction in current spending. At the end of the UR implementation period in 2000/2001 the EU can still spend nearly \$500 million per year subsidizing processed products. Under the agreement, the per unit subsidy on an agricultural component of a processed product cannot be larger than on the bulk agricultural product itself. That is, the subsidy on the wheat incorporated in a processed product such as cookies cannot be larger than the subsidy for bulk exports of wheat.

The UR limits apply only to subsidized exports. Some EU high-value product exports are currently exported without subsidies, and will face no limits under the UR agreement. For example, some soft cheese and all high quality wines are exported without the benefit of subsidies. This trade could even expand as the EU adjusts to the limits imposed on products that require export subsidies. EU policies could encourage producers to shift production toward those products that do not require subsidies for exports.

In addition to direct export subsidies, EU and member state funding is used to promote high-value product exports. The EU funds market promotion activities for citrus fruits and some other high-value products. Market promotion programs operate in the individual member states, usually as quasi-governmental or private trade organizations. The EU only rarely provides agricultural export credit packages or guarantees out of its general budget. Most national export credit programs apply to medium- or long-term credits, while agricultural exports are covered by short-term credits. Some EU member states have export credit programs that support agricultural products, but generally through insurance. Currently, there are no internationally agreed upon disciplines on the use of export credits for agricultural products. However, the UR agreement commits countries to develop internationally agreed upon disciplines to govern export credits, guarantees, and insurance.

The UR agreement will limit the EU's ability to use export subsidies to enhance its HVP exports. Because the export subsidy limits are commodity-specific, the EU cannot rearrange its export subsidy funding to favor HVP exports. Despite the limits, the EU will remain a major HVP exporter, supplying the U.S. market and competing with U.S. high-value products in third markets. Important marketing activities that promote HVP exports are not limited by the UR agreement. Also, the EU can export some HVP's without subsidies and many EU products have internationally recognized product images that allow them to compete on non-price factors.

[Mary Lisa Madell]



supplies. Also, the EU switched the implementation of the reduced levy for Spanish corn from a calendar year to a crop year. This effectively pushed almost 2 years of U.S. corn sales into one year. Spanish corn yields for the 1995 harvest were considerably improved over the previous year, but the barley and wheat crops were cut dramatically. Although the EU has shipped large supplies of intervention barley and rye stocks from Germany and the United Kingdom, the supplies have not been sufficient to offset the reduced crops in Spain.

U.S. rice exports are expected to register a further increase in 1996, despite the increase in protection levels in Finland, Austria, and Sweden because of accession. U.S. sales of non-grain feeds to the EU are expected to drop in quantity in fiscal 1996, although corn gluten feed and meal should again be tight. While EU market prices for wheat and corn are currently well above intervention price levels, grains may become more competitive with imported non-grain feeds later in the marketing year.

The value of U.S. beef and veal exports to the European Union will remain constant or fall slightly in fiscal 1996. U.S. beef exports to the EU-15 declined 1.4 percent in fiscal 1995, to approximately \$27.5 million, due to the EU's continuing import ban on beef from hormone-treated cattle and, specifically, the extension of this ban to Austria. Before accession to the EU, Austria had a high quality beef (HQB) quota with the United States of 1,000 tons. Beginning in 1995, U.S. beef exports to Austria became subject to the EU hormone ban, and dropped more than 90 percent to less than \$500,000 (see

"Prices Rebound as Surging Beef Exports Deplete EU Stocks" elsewhere in this report).

U.S. poultry exports to the EU are projected to remain constant in fiscal 1996, as excess domestic supplies will likely meet demand. The volume of U.S. poultry exports to the EU increased 12 percent in fiscal 1995 to \$3.7 million, with the greatest rise in turkey meat and prepared meats. Exports of turkey meat rose 22 percent in value to \$10.7 million in fiscal 1995, with the largest share going to Germany. Opportunities for additional U.S. pork exports will be limited in 1996, as EU internal supplies continue to be abundant and consumption remains stable.

The EU will again be a growth market for U.S. horticultural products in fiscal 1996. Total horticultural products trade could exceed \$1.5 billion, largely due to continued growth in processed commodities. Orange juice, wine, tree nuts (almonds and walnuts) and dried fruit (mostly prunes and raisins) are expected to lead horticultural exports to the region. However, growth is also expected in several smaller niche markets, including canned sweet corn, fresh green asparagus, and some fresh deciduous fruits.

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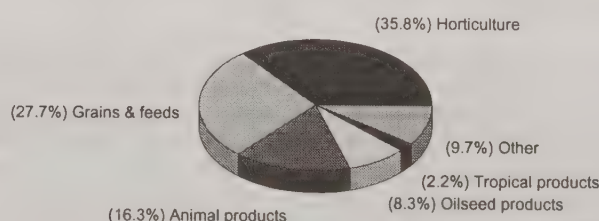
# HVPs Dominate U.S. Exports to the EU

*High-value products accounted for a record 58 percent of total U.S. agricultural exports to the EU in 1994. Strong growth in horticultural product exports, especially nuts, wine, and fruit juice led HVP sales to the region while the export value of bulk commodities declined for the third year in a row. [Linda A. Scott]*

High-value products (HVP's) are increasingly important in U.S.-EU agricultural trade.<sup>1</sup> U.S. high-value exports to the European Union stabilized at an average \$3.9 billion during calendar years 1993-94 after climbing steadily during the late 1980's. HVP's accounted for 58 percent of total U.S. agricultural export value to the region, compared with 34 percent a decade ago (figure 2.1). Since 1985, exports of value-added agricultural commodities have grown 3.5 percent per year compared with a 3-percent annual decline in bulk commodity sales. High levels of import protection and increased foreign competition for bulk commodities, and declining grain prices that reduced bulk export value were largely responsible

for the changing commodity shares. Although difficult to quantify, the promotion of high-value products by U.S. trade associations, with the help of export promotion initiatives

**2.1. Horticulture Is Largest HVP Export Sector**  
U.S. High-Value Exports to EU, 1993-94 Source: USDA



1993-94 average = \$3.9 billion

<sup>1</sup> The "EU" refers to membership in the European Union prior to January 1, 1995 and includes Belgium, Luxembourg, Denmark, France, Ireland, Italy, Germany, Greece, the Netherlands, Portugal, Spain, and the United Kingdom.



Table 2.1. U.S. high-value exports to EU-12, 1980-94

Commodity	1990	1991	1992	1993	1994	Average			1993-94	% change	Percent of
	Million dollars					1980-84	1985-89	1988-89	1993-94	1993-94/ 1988-89	HVP exports 1993-94
<b>Horticultural products</b>	1 217	1 376	1 358	1 365	1 460	645	805	915	1 412	54.4	35.8
Fruit excluding juice	309	353	354	317	313	172	219	273	315	15.6	8.0
Fresh fruit	130	156	158	131	130	81	100	127	131	2.9	3.3
Fresh citrus fruit	53	63	61	66	55	50	57	71	60	-15.1	1.5
Fresh non-citrus	77	92	96	66	75	31	43	56	70	25.7	1.8
Dried fruit	145	159	156	147	144	63	97	119	145	22.5	3.7
Canned and frozen fruit	10	13	25	22	24	24	12	16	23	45.1	0.6
Fruit juice	45	45	63	79	93	36	29	43	86	99.9	2.2
Wine	39	46	62	67	61	10	18	28	64	127.2	1.6
Nuts and preparations	520	522	555	537	637	315	417	456	587	28.8	14.9
Vegetables	250	307	262	292	304	89	91	115	298	159.1	7.6
Fresh vegetables	20	26	26	19	21	9	9	12	20	65.1	0.5
Frozen vegetables	6	7	7	6	13	3	5	7	9	34.8	0.2
Canned vegetables	36	43	44	43	27	23	25	29	35	18.5	0.9
Other vegetables	94	133	184	225	244	54	52	67	234	249.3	5.9
Nursery products	52	64	62	73	52	22	31	41	62	51.8	1.6
<b>Grains and feeds</b>	1 067	1 139	1 126	1 118	1 071	796	1 002	1 132	1 094	-3.3	27.7
Feeds and fodders	996	976	970	951	943	778	971	1 085	947	-12.8	24.0
Feed grain products	16	26	19	31	16	4	7	12	24	101.1	0.6
Other grain products	39	116	117	112	88	8	12	22	100	358.1	2.5
Popcorn	14	14	19	22	21	4	7	10	21	106.7	0.5
Other grain and feed products	1	1	2	1	1	1	1	1	1	0.0	0.0
<b>Animal products</b>	694	683	718	620	668	872	762	771	644	-16.5	16.3
Live animals	180	204	130	123	108	129	170	191	115	-39.6	2.9
Meat and meat products	170	129	149	114	99	208	181	191	106	-44.3	2.7
Poultry meat	27	34	48	41	46	30	13	17	43	156.0	1.1
Eggs	6	11	16	15	14	10	5	4	15	262.0	0.4
Dairy products	21	24	37	28	26	17	16	21	27	31.7	0.7
Hides and skins	101	64	79	68	107	244	186	146	87	-40.1	2.2
Other animal products	209	218	260	231	268	234	191	201	249	24.1	6.3
<b>Other products</b>	418	494	415	363	399	153	238	263	381	44.9	9.7
Seeds	231	273	233	182	188	89	143	150	185	23.2	4.7
Essential oils	76	86	78	84	95	41	54	61	90	47.6	2.3
Misc. vegetable products	50	54	81	74	83	22	36	44	78	79.0	2.0
Beverages excluding juice	10	17	23	23	33	1	5	8	28	256.3	0.7
<b>Oilseed products</b>	237	279	396	368	286	984	492	343	327	-4.8	8.3
Oilcake and meal	94	130	229	263	146	882	403	241	205	-15.1	5.2
Vegetable oils	98	112	135	73	94	80	68	75	83	11.4	2.1
Protein substances	46	37	33	31	46	22	21	27	39	42.2	1.0
<b>Tropical products</b>	72	57	95	84	90	53	60	60	87	44.5	2.2
Sugar and related products	48	30	35	35	26	19	26	27	31	11.2	0.8
Coffee, cocoa, tea	19	21	52	34	47	4	5	9	41	352.0	1.0
Spices	4	5	5	6	7	3	4	5	7	42.0	0.2
Other tropical products	1	1	1	0	1	26	25	19	1	-96.8	0.0
<b>Total high-value products</b>	3 559	3 831	4 109	3 917	3 974	3 503	3 359	3 524	3 945	11.9	100.0
% of total agricultural exports	52.0	55.4	56.4	57.3	58.7	33.1	49.3	50.5	58.0	---	---
<b>Total bulk commodities</b>	3 291	3 085	3 182	2 922	2 800	7 079	3 460	3 450	2 861	-17.1	---
% of total agricultural exports	48.0	44.6	43.6	42.7	41.3	66.9	50.7	49.5	42.0	---	---
<b>Total agricultural exports</b>	6 850	6 916	7 291	6 839	6 774	10 582	6 819	6 974	6 806	-2.4	---
<b>U.S. HVP exports to world</b>	19 414	21 164	23 573	24 381	27 051	12 433	14 464	17 162	25 716	49.8	---
EU as percent of total	18.3	18.1	17.4	16.1	14.7	28.2	23.2	20.5	15.3	---	---

All data based on calendar years. --- = not applicable. Source: USDA, Foreign Agricultural Trade of the United States.



such as the Market Promotion Program, also may have contributed to higher export values for selected commodities (table 2.1).<sup>2</sup>

### **Growth in Consumer Food Exports Outpaces Intermediate Commodities**

Besides a shift in total trade toward value-added commodities, the composition of trade within the high-value products group has also changed. The term "high-value product" commonly refers to agricultural commodities to which value has been added during processing, storage, transportation or special handling. In this study, the term refers to all agricultural commodities except bulk food and feed grains, oilseeds, pulses, cotton, and tobacco. Further dividing high-value exports into the two product categories identified by the USDA's Foreign Agricultural Service—consumer food products (meat, fruits and vegetables, breakfast cereals, snack foods) and intermediate goods (farm and factory inputs including animal feeds and wheat flour), helps to measure the changing direction of trade within this diverse set of commodities.

An important intermediate product, corn gluten feed, has consistently been the largest single high-value export to the EU, accounting for 17 percent of total high-value product trade in 1993-94. However, strong growth in horticultural exports and declining sales of other intermediate commodities, including live animals, hides and skins, and oilseed meals, especially soybean meals, has caused a shift in trade toward consumer foodstuffs. Between calendar years 1988-89 and 1993-94, consumer-ready food products jumped from one-third to nearly one-half of total high-value product trade.

Despite the increased importance of high-value products in total U.S.-EU trade, the growing markets of Canada, Asia, and Latin America are capturing a larger share of U.S. value-added exports. The EU is a mature market for processed food products with ample internal supplies of a wide range of foodstuffs. Bilateral disputes involving non-tariff trade barriers such as the EU import ban on hormone-treated beef, have restricted access to the EU high-value product market. In 1994, the EU share of U.S. high-value sales worldwide reached an all-time low of 15 percent after declining steadily from 28 percent in the early 1980's. However, the EU continues to be the largest U.S. market for a diverse set of high-value commodities, including corn by-products — 86 percent (\$668 million), almonds — 54 percent (\$385 million), walnuts — 56 percent (\$82 million), horsemeat — 95 percent (\$65 million), and wool and mohair — 68 percent (\$25 million).

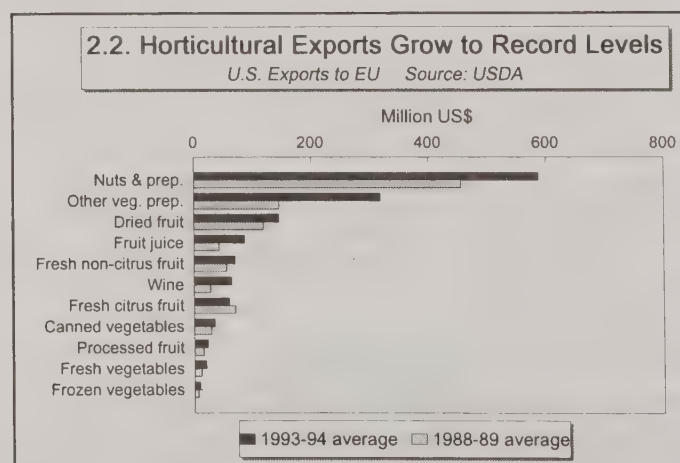
<sup>2</sup> Export promotion programs such as the Market Promotion Program and Foreign Market Development Program help eligible non-profit trade organizations and private firms finance educational activities about U.S. agricultural commodities. The educational activities include media advertising and point of purchase information, for potential foreign consumers and marketers. About 75 percent of the \$222 million average funding for these programs in 1989-93 was designated for high value products with more than 30 percent targeted to Western Europe. Horticultural products, including fruits, vegetables, tree nuts, and wine, have typically received the largest share of Market Promotion funds.

### **Tree Nuts and Dried Fruit Are Leading Horticultural Exports**

The EU is a dynamic market for U.S. fruits, vegetables, wine, and tree nuts, despite substantial trade barriers that constrain imports (figure 2.2). The export value of U.S. horticultural exports to the region grew 54 percent during the past 5 years to \$1.4 billion, making this set of commodities the single largest U.S. high-value export to the region in 1993-94. Almonds, raisins, walnuts, prunes, and orange juice, were the dominant products in this market, comprising half of all horticultural sales to the region during the past 2 years. Fruit juices, fresh berries, wine, frozen potatoes, and other vegetable products were the fastest growing individual exports, nearly doubling from 6 to 12 percent of total high-value trade during the 1990's.

Although the growth in frozen potato exports was due mainly to weather-related production shortfalls in the EU, the rising export value of the other commodities was more indicative of structural changes in market conditions. For example, a doubling of wine sales to the EU, the world's largest wine exporter, has been due largely to increased supermarket volume and growing wine consumption in the United Kingdom and Germany, plus the creation of an important new market in France where the Paris Disney complex has become Europe's largest importer of U.S. wines.<sup>3</sup>

Although the United States is the leading third-country supplier of horticultural products to the EU, a diverse climate and high levels of producer support guarantee an ample and high quality internal supply of most commodities. In the past, an extensive system of minimum import prices, countervailing duties, import licensing restrictions, variable levies, and high seasonal tariffs for most fresh and dried fruits, vegetables, and tree nuts hindered U.S. horticultural product exports to the region. U.S. export opportunities in the market were generally limited to periods of EU production shortages or to commodities with a significant advantage in quality or uniqueness of product. In 1994, the EU accounted for less than 20 percent of total U.S. horticultural export value.



<sup>3</sup> "European Union Imports of Horticultural Products in 1993," *World Horticultural Trade and U.S. Export Opportunities*, USDA Foreign Agricultural Service, April 1995.



Trade concessions under the Uruguay Round accords are expected to have a mixed impact on U.S. export opportunities in the European horticultural market. For example, the agreement requires that the EU replace non-tariff trade barriers such as variable levies and countervailing duties with bound tariffs. However, for most fresh commodities, including tomatoes, cucumbers, globe artichokes, oranges, and lemons, the bound tariffs have been set high enough to defend producers and little net increase in imports is anticipated.

On the other hand, the EU agreement to reduce tariffs by 36 to 50 percent over 6 years on several horticultural products important to U.S. exporters including fresh asparagus, shelled and roasted almonds, shelled and in-shell walnuts, grapes, apples, single strength orange juice, potato chips, and canned sweet corn, could improve export opportunities for those foods. Additionally, a mandated reduction in EU export subsidies, particularly for deciduous fruits such as apples, may improve U.S. competitiveness in global markets.

### **Corn Gluten Feed Leads High-Value Grain and Feed Exports**

U.S. exports of high-value grain and feed grain products were valued at \$1.1 billion in 1993-94 and accounted for just over one quarter of total high value exports to the region (figure 2.3). Sales were dominated by corn gluten feed that comprised nearly two-thirds of the total, but other grain products, including pet foods and grain-based snack products such as corn chips, represented a small, but growing share of the market. Because corn gluten feed enters the EU market duty-free, its relative importance has grown compared to bulk feed grains such as corn and barley that are subject to high levels of import protection. Surplus internal production made the EU a declining world market for U.S. value-added grain exports, with shipments to the region stagnating during the 1990's while U.S. exports of these products worldwide rose 50 percent.

### **EU Import Ban on Hormone-Treated Beef Has Cut U.S. Beef Exports**

During the 1990's, U.S. animal products' share of high-value exports to the EU fell from 21 to 16 percent. A total EU ban on imports of hormone-treated beef, variety meats, and live cattle reduced U.S. exports of these commodities by more than half to \$35 million between 1988-89 and 1993-94. The

import ban was the single largest factor behind the sharp 17-percent decline in the value of all animal product exports to the region during the past 5 years.

Declining beef and cattle sales further reduced the EU's relative importance in total U.S. animal product exports from 12 to 8 percent. Strong growth in exports of chicken and turkey parts caused a sharp increase in U.S. poultry meat sales to the region during the 1990's. However, large internal supplies and high levels of import protection meant that the EU was a small market for U.S. exports of both poultry and dairy products, accounting for less than 5 percent of total U.S. sales worldwide.

### **The EU Is a Shrinking Market for Oilseed Products**

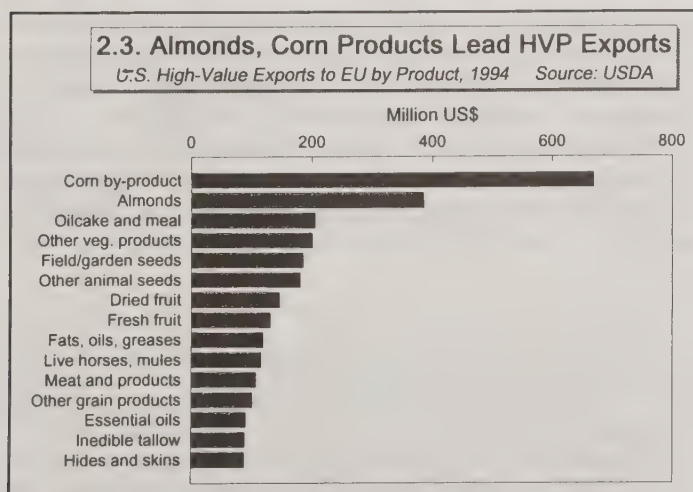
Plummeting exports of soybean meal, due to increased foreign competition and rapid growth in domestic oilseed production, have sharply reduced the importance of oilseed products in U.S.-EU high-value product trade over the past decade. Oilseed products' share of total high-value exports fell from 26 percent in the early 1980's to 8 percent in 1994. Growing sales of corn oil cake led to a modest recovery in total oilseed product exports during the 1990's. However, oilseed product shipments dropped below \$300 million again in 1994 and were less than 30 percent of the export value of processed oilseeds a decade ago.

Higher set-asides for oilseeds mandated under the Blair House Agreement, that will constrain internal production over the long term, mean that any future increases in EU oilseed product demand will need to be supplied by imports. However, U.S. exporters will not necessarily benefit from such new market opportunities because of continued competition from other world suppliers, particularly in South America.

Declining oil meal and oil cake exports were largely responsible for a 50-percent reduction in the share of U.S. oilseed product exports going to the EU during the 1990's. The EU received an average of 13 percent of U.S. oilseed product exports during the 1990's, compared with 36 percent a decade ago. Additionally, oilseed product exports to the region dropped by nearly two-thirds compared with a fourfold increase in global U.S. sales of processed oilseeds. Worldwide, U.S. growth was due primarily to rising sales of vegetable oils that are of minor importance in the well-supplied EU market.

### **Seeds and Non-Juice Beverages Led U.S. Exports Of Tropical and Other Agricultural Products**

Tropical and other agricultural products include a diverse set of agricultural commodities ranging from field and garden seeds and essential oils to soft drinks, sugar, and beer. Other agricultural products dominated this group with exports growing 45 percent during the past 15 years to \$381 million. Sales were led by field and garden seeds, which comprised 5 percent of total high-value trade in 1993-94. Non-juice beverages, including beer and soft drinks, were the fastest growing products, rising more than threefold to \$28 million. The EU was the destination for about one-third of U.S. tropical and other exports in 1993-94.





## **New Members Reducing Their Imports of Meat and Fresh Vegetables**

The three new members of the European Union—Sweden, Finland, and Austria—were a \$192-million market for U.S. high-value products in calendar years 1993-94. Although this represented about 5 percent of the \$3.9 billion worth of agricultural exports shipped to the EU-12 during this period, the total value may be understated because many U.S. agricultural exports to these countries are transshipped through Germany. High-value products accounted for a greater share of total U.S. agricultural trade with the former EFTA countries than with the EU as a whole and the composition of imports was more heavily weighted toward consumer food products such as nuts, dried fruit, and red meat. In the past, the former EFTA countries have maintained high levels of import protection for bulk products. Trade data are not yet available for these countries' first full year of membership in the EU that began January 1, 1995. However, data for the first 8 months of 1995 show that U.S. high-value exports to the region are down 6 percent from last year with some noticeable changes in the composition of trade, especially in meat and horticultural products.

An extension of the EU ban on hormone-treated beef has reduced U.S. meat exports to the three countries nearly 80 percent from \$9.7 million or 8 percent of high-value product trade during January-August 1994 to less than \$2 million for the first 8 months of 1995. Exports of oilcake and meal have fallen by more than half, as have sales of fruit juice and fresh vegetables. The adoption of higher EU import barriers for horticultural products and increased duty-free supplies from other EU countries may be largely responsible for the noticeable reduction in selected fruit and vegetable imports. However, high U.S. vegetable prices in 1995 may have also contributed to a short-term reduction in U.S. shipments of fresh vegetables to these markets. The elimination of trade barriers for other EU suppliers has been largely responsible for declining oilseed product sales to the region, despite reduced tariffs for third country imports mandated under the WTO.

On the other hand, lower tariffs for feed grain products resulting from harmonization with the EU have been largely responsible for a 48-percent increase in U.S. exports of these commodities to the region since last year. As the former EFTA countries become fully integrated into the EU they are likely to comprise a declining share of U.S. exports of meat and some horticultural products. However, the new EU members will continue as a small market for selected specialty foods, including tree nuts, prepared vegetable products, pet foods, snack foods, and wine.

## **EU High-Value Imports Continue To Rise**

Data for the first 8 months of 1995 for the EU-12 suggest a positive outlook for high-value product trade. Compared with a year earlier, high-value exports are up 17 percent to \$2.9 billion. A continuation of this trend for the remainder of the year would push high-value product exports to a record \$4.6 billion for 1995. Growth has been particularly strong in canned and frozen vegetables, oilcake and meal, and non-juice beverages, while the export value of fresh vegetables, feed grain products, live animals, and other dairy products has declined by at least 20 percent.

Over the medium term, continued income growth in the EU, trade concessions under the Uruguay Round agreement, and a low U.S. dollar compared with major EU currencies should continue to fuel demand for a large variety of U.S. high-value products. U.S. products have a good reputation for quality in the EU market and horticultural products, along with snack and pet foods, should represent the largest opportunities for U.S. exporters. However, because internal supplies of most commodities are ample and of high quality, continued growth will also depend on the ability of U.S. suppliers to meet EU standards for size, quality, packaging, labeling, and other marketing services.

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# High-Value Products Find New Markets in Central and Eastern Europe

*Despite generally stagnant growth in total U.S. agricultural exports to Central and Eastern Europe, exports of high-value products have doubled since 1989, from one-third to two-thirds of total exports. However, this overall upward trend masks widely divergent performances in individual sectors, products, and countries. The increase was led by booming exports of poultry products, with Poland as the largest and most dynamic market. [Timothy J. Smith]*

The end of communism in Eastern Europe caused tremendous disruption to the region's economies. Beginning in 1989 and 1990, the countries of Central and Eastern Europe (CEE)<sup>4</sup> began reform programs to make their socialist economies more modern and market-oriented. Price controls were relaxed, resulting in much higher consumer food prices, while producer subsidies were dramatically reduced or eliminated, causing many enterprises to go bankrupt. The collapse of the CMEA (Council on Mutual Economic Assistance, or Comecon) eliminated many traditional export markets and sources of cheap imports, and most countries quickly incurred large trade deficits with developed countries as the demand for western goods far outstripped export capacity. Most new CEE trade was with the European Union, but the United States and other countries have also seen a substantial increase in trade with the region.

## U.S. HVP Exports Have Doubled Since 1989

Despite generally stagnant growth in total agricultural exports to Central and Eastern Europe, U.S. exports of high-value products (HVPs) have doubled from the pre-transition period. High-value products<sup>5</sup> comprised one-third of total U.S. agricultural exports to the region in 1989, and now account for two-thirds (figure 3.1). The average annual growth rate for this period was 15 percent. However, this overall upward trend masks widely divergent performances in individual sectors, products, and countries. Furthermore, despite the rapid growth of U.S. HVP exports to Central and Eastern Europe, the market remains small, equaling only 1 percent of total U.S. HVP exports (table 3.1).

In the last pre-transition years (1987-89), U.S. high-value exports to the region averaged \$125 million annually. This figure doubled to more than \$250 million in 1993 before falling slightly in 1994. Yet not every sector benefited equally from the new trading environment. The biggest beneficiary was clearly the U.S. poultry sector, which boomed from \$1 million in exports to nearly \$80 million between 1989 and 1994. Poultry products alone accounted for two-thirds of the

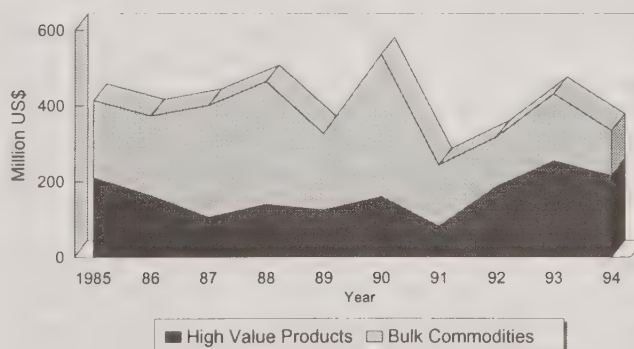
overall increase in HVP exports. Other key gainers were the dairy sector (although U.S. dairy exports were also strong during the mid-1980's), and wheat flour donated as food aid.

However, large increases in these products were partially offset by sharp declines in other sectors. Hides and skins, oilmeals and oilcakes, and processed feed grain products suffered the biggest declines. Together, these three products comprised more than 80 percent of HVP exports in 1989. By 1994, however, their combined share was a mere 16 percent.

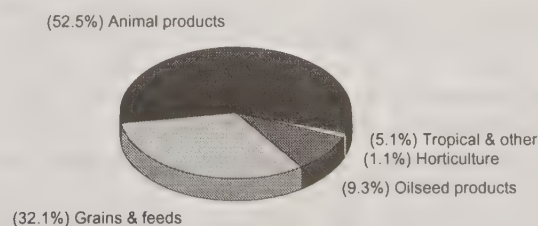
## Poultry Products Drive HVP Export Growth

The livestock sector represents the single most important component of U.S. high-value exports to Central and Eastern Europe (figure 3.2). Trade in animal products (\$133 million in 1994) regularly surpasses 50 percent of total high-value

**3.1. U.S. HVP Exports Overtake Bulk Commodities**  
U.S. Agricultural Exports to Central & Eastern Europe Source: USDA



**3.2. Livestock Sector Dominates HVP Exports**  
U.S. High-Value Exports to Central & Eastern Europe Source: USDA



1993-94 average = \$235.2 million

<sup>4</sup> CEE countries are: Albania, Bulgaria, Czech & Slovak Republics, Hungary, Poland, Romania, and the former Yugoslav republics (Bosnia-Herzegovina, Croatia, Macedonia, Serbia-Montenegro, and Slovenia).

<sup>5</sup> High-value products include consumer-ready and intermediate goods that have been processed or require special handling. For a more detailed definition of high-value products see "High-value products grow as a share of U.S.- EU trade, elsewhere in this report.



Table 3.1. U.S. High-Value Exports to Central and Eastern Europe, 1987-94

Commodity	1987	1988	1989	1990	1991	1992	1993	1994	Average		Percent of	
									1987-89	1993-94	HVP exports 1987-89	HVP exports 1993-94
Thousand dollars												
Animal products	45 209	71 780	97 259	61 395	39 080	135 644	113 316	133 567	71 416	123 441	57.9	52.5
Live animals	139	216	240	645	663	335	244	134	198	189	0.2	0.1
Meat products	39	406	3 011	9 227	3 941	8 733	4 734	8 612	1 152	6 673	0.9	2.8
Poultry & products	555	1 096	1 178	10 886	6 501	40 785	55 514	78 841	943	67 178	0.8	28.6
Live poultry	395	1 096	1 122	2 672	3 143	3 091	2 550	1 261	871	1 906	0.7	0.8
Poultry meat	34	0	22	8 093	3 359	37 441	52 906	76 945	19	64 925	0.0	27.6
Eggs	126	0	35	0	0	253	57	528	53	292	0.0	0.1
Dairy products	2 200	3 231	8 283	11 191	18 517	75 174	41 549	27 136	4 571	34 342	3.7	14.6
Fats, oils, grease	114	1 156	2 197	108	52	617	162	614	1 155	388	0.9	0.2
Hides and skins	40 869	64 427	81 049	27 905	8 542	8 404	9 377	16 407	62 115	12 892	50.4	5.5
Furskins	1 012	669	1 394	585	864	868	1 498	1 389	1 025	1 443	0.8	0.6
Bull semen	1 215	1 155	1 027	1 015	654	1 365	1 492	1 594	1 132	1 543	0.9	0.7
Misc. animal products	79	93	275	400	204	219	243	174	149	208	0.1	0.1
Grains and feeds	12 291	24 151	12 076	65 458	5 679	10 537	104 399	46 656	16 173	75 527	13.1	32.1
Wheat flour	0	0	43	65	58	897	17 335	36 027	14	26 681	0.0	11.3
Feed grain products	11 998	23 794	11 452	64 936	4 292	4 988	82 124	4 259	15 748	43 192	12.8	18.4
Popcorn	0	0	177	7	382	2 303	1 954	1 771	59	1 863	0.0	0.8
Other grain products	15	142	10	62	552	372	1 215	796	56	1 006	0.0	0.4
Feeds and fodders	74	61	11	56	23	519	710	1 531	48	1 120	0.0	0.5
Other grain and feed prod.	205	154	383	334	369	651	817	1 911	247	1 364	0.2	0.6
Oilseed products	45 178	36 100	9 963	18 919	622	24 678	16 432	27 167	30 414	21 799	24.7	9.3
Oilcake and meal	44 476	36 100	9 940	18 596	119	16 350	9 117	13 264	30 172	11 190	24.5	4.8
Vegetable oils	701	0	22	323	503	8 327	7 315	13 903	241	10 609	0.2	4.5
Horticultural products	45	630	698	4 607	2 578	2 348	2 320	2 652	458	2 486	0.4	1.1
Fruit excluding juice	11	0	11	968	554	810	605	650	7	628	0.0	0.3
Fruit juice	0	0	0	182	762	19	274	437	0	356	0.0	0.2
Wine	10	0	384	619	742	677	606	556	131	581	0.1	0.2
Nuts	17	31	286	2 754	354	824	580	794	111	687	0.1	0.3
Vegetables	0	0	11	81	150	14	189	181	4	185	0.0	0.1
Nursery products	8	599	6	3	15	3	65	34	204	49	0.2	0.0
Tropical products	1 602	1 026	148	436	1 371	5 280	2 465	1 397	926	1 931	0.8	0.8
Sugar and related products	135	46	2	19	463	3 251	182	347	61	265	0.0	0.1
Coffee	132	151	74	190	520	785	56	542	119	299	0.1	0.1
Cocoa	0	0	0	0	88	501	85	270	0	177	0.0	0.1
Chocolate	435	160	6	194	292	346	401	69	200	235	0.2	0.1
Tea	0	0	66	33	9	394	1 665	157	22	911	0.0	0.4
Other products	1 459	5 582	4 594	9 648	31 901	9 102	15 655	4 290	3 879	9 972	3.1	4.2
Essential oils	79	48	127	8	17	466	16	35	85	25	0.1	0.0
Seeds	706	5 234	3 637	8 331	29 288	4 296	12 537	2 419	3 192	7 478	2.6	3.2
Misc. vegetable products	675	109	399	444	144	723	70	155	394	113	0.3	0.0
Beverages excluding juice	0	191	431	865	2 452	3 616	3 032	1 681	207	2 356	0.2	1.0
Country	1987	1988	1989	1990	1991	1992	1993	1994	Average		Percent change	
Million dollars												
Poland	23.5	31.2	31.6	59.2	18.7	79.7	157.0	76.2	28.8	116.6	305.3	-51.5
Former Yugoslavia	30.6	36.0	19.4	21.5	22.2	37.3	26.9	66.5	28.7	46.7	62.9	147.2
Romania	17.0	44.5	54.8	35.0	21.7	33.8	30.4	36.7	38.8	33.6	-13.5	20.7
Former Czechoslovakia	15.2	14.4	14.0	8.4	1.9	3.2	8.9	13.8	14.5	11.4	-21.9	55.1
Albania	0.0	0.0	0.0	1.2	2.8	20.3	11.0	9.8	0.0	10.4	---	-10.9
Hungary	18.9	4.8	4.2	34.4	11.8	7.3	9.7	9.0	9.3	9.4	0.5	-7.2
Bulgaria	0.3	8.2	0.3	0.4	1.7	5.3	9.8	2.1	2.9	6.0	102.8	-78.6
Total high-value products	105.8	139.3	124.7	160.5	81.2	187.6	254.6	215.7	123.3	235.2	90.8	-15.3
% of total agricultural exports	26.4	30.0	38.2	29.9	33.4	59.1	59.0	64.5	31.0	61.4	---	---
Total bulk commodities	294.8	324.7	202.0	376.9	162.2	129.8	177.2	119.0	273.8	148.1	-45.9	-32.9
% of total agricultural exports	73.6	70.0	61.8	70.1	66.6	40.9	41.0	35.5	69.0	38.6	---	---
Total agricultural exports	400.6	464.0	326.7	537.4	243.4	317.4	431.8	334.7	397.1	383.3	-3.5	-22.5
U.S. HVP exports to world	13 827	16 899	17 426	19 414	21 164	23 573	24 381	27 051	16 051	25 716	60.2	11.0
CEE as percent of total	0.8	0.8	0.7	0.8	0.4	0.8	1.0	0.8	0.8	0.9	---	---

All data based on calendar years. --- = not applicable. Source: USDA, Foreign Agricultural Trade of the United States



exports and comprises 20 to 25 percent of overall U.S. agricultural exports to the region.

As the most rapidly expanding export sector to the region, poultry products increased their share from less than 1 percent to 35 percent of HVP exports between 1989 and 1994. Exports to Poland largely accounted for the rise. What few exports there were before 1990 were dominated by trade in live birds. However, after a modest increase, exports of live poultry dipped, reaching a 5-year low in 1994. Poultry meat exports, on the other hand, experienced a meteoric rise, and far outvalued live bird exports by 1992. The value of poultry meat exports quadrupled from \$8 million to \$37 million between 1990 and 1992, then doubled to nearly \$77 million in 1994. Since 1992, two-thirds of poultry exports have gone to Poland, with another 25 percent going to Romania. The rapid growth in U.S. poultry exports is attributable to the decline of the Hungarian poultry industry, the region's traditional supplier, which was decimated by a sharp increase in input prices and the collapse of traditional export markets.

Exports of hides and skins, formerly the biggest component of U.S. high-value exports (65 percent in 1989), have fallen sharply, as markets have opened to Western leather goods (thus reducing demand for domestic leather) and traditional export markets for Polish and Romanian leather products have collapsed. U.S. hides and skins exports to the region dropped from \$81 million in 1989 to less than \$10 million in 1993, although the sector partially recovered in 1994. What remains of the hides and skins trade is mostly bound for former Yugoslavia.

### ***Declining Feed Use Reduces U.S. Oilmeal and Oilcake Exports***

The significant decline in CEE livestock herds has had far-reaching effects on the overall agricultural economy. U.S. exports of both oilmeal/oilcake and feed grain products have fallen off, reflecting diminishing feed demand in the CEE livestock sector. Oilcake and oilmeal exports declined by two-thirds in value since 1989. Before the transition, oilseed products were the second leading HVP export to the region, making up 25 to 40 percent of U.S. HVP exports between 1985 and 1988. However, after 1989 the relative importance of oilseed products diminished and the structure of exports began to change.

Oilseed products now claim merely one-tenth of the HVP export market. Pre-transition trade was dominated by oilcake and oilmeal exports to Hungary and Yugoslavia for feed use. However, from 1989 to 1994, vegetable oil exports increased from almost nil to about \$14 million, mostly in food aid to Albania and the former Yugoslavia. This increase drove vegetable oil exports ahead of oilcake and oilmeal exports for the first time in 1994.

Feed grain products also declined significantly, with 1994 exports down more than \$11 million (75 percent) from the 1987-89 average, although huge shipments to Poland drove exports up in 1990 and 1993. Exports of high-value grain products as a whole have increased, however, because of a dramatic increase in wheat flour exports from nil in 1988 to

\$36 million in 1994. However, nearly all the wheat flour has been shipped as food aid to former Yugoslav republics and Albania, and thus is not a viable indicator of future commercial market trends.

### ***Horticultural Product Exports Stabilized Following Transition***

Exports of fruit, nuts, and wine showed the same broad pattern of increasing substantially during the first year of transition (1990), then declining and stabilizing. Exports of fruits reached nearly \$1 million in 1990 but have since stabilized at roughly \$600,000 per year, with dried fruits as the preferred variety. Nuts showed the same trend, peaking at \$2.7 million in 1990 before declining and stabilizing at about \$700,000. Wine exports peaked in 1991 at nearly \$750,000, but have since sloped downward. U.S. vegetable exports remain insignificant, despite modest growth; the trend since 1989 has been a shift from canned to frozen vegetables. Poland is the dominant market for fruit, wine, and vegetables, while nut exports show a more varied distribution pattern. These sharp increases are due to the collapse of domestic horticultural production and the sudden availability of U.S. products in the wake of trade liberalization.

Exports of sugar and tropical products have experienced modest growth since 1989, peaking in 1992 and 1993 on the strength of sugar exports to Bulgaria and tea exports to Poland. Sugar and tropical exports fell back to pre-transition levels in 1994, although they represent a more diversified range of products, as coffee, cocoa, and tea have all grown substantially. Beverages likewise peaked in 1992 at more than \$3 million in exports after a particularly large shipment to Romania.

### ***Exports to Poland and the Former Yugoslavia Show Biggest Growth***

Performance of U.S. HVP exports to Central and Eastern Europe has also varied geographically. Poland and the former Yugoslavia, which together accounted for less than half of high-value exports in 1989, comprised two-thirds of the market by 1994, with exports to both countries increasing nearly \$45 million. High-value exports to Poland have grown an average of 30 percent a year since 1989, driven primarily by livestock products, with poultry products alone now accounting for over half of total U.S. agricultural exports and two-thirds of U.S. HVP exports to the region. Poland and Hungary have the region's highest percentage of high-value products as a share of total agricultural imports, averaging around 80 percent during 1992-94.

In the former Yugoslavia, annual growth in U.S. high-value exports averaged about 50 percent during 1989-94. However, in contrast with Poland, where the increase was in commercial exports, export growth to the former Yugoslavia was dominated by food aid. The only 2 years that exports to the former Yugoslavia surpassed the pre-transition average (1987-89) were years with large food aid shipments (1992 and 1994). The biggest exports were wheat flour (\$36 million in 1994), dairy products (\$10 million), and vegetable oils (\$7 million). These three sectors alone accounted for 80 percent of high-value exports to the former Yugoslavia in 1994. The large



high-value food aid shipments also drove the former Yugoslavia's HVP percentage to more than 60 percent of total U.S. agricultural exports. Prior to 1989, the ratio was never more than one-third.

Despite spectacular regional growth, some CEE countries witnessed declining imports of U.S. high-value products. In Romania, for example, high-value product imports from the United States were \$18 million or 33 percent lower in 1994 than in 1988. In 1988 and 1989, Romania was the region's largest outlet for U.S. high-value goods (44 percent of the region), dominated by hides and skins for Romanian tanneries. However, by 1993 this share had dipped to 12 percent, reflecting the collapse of hides and skins exports and Romania's slower growth compared with other CEE countries. Furthermore, Romania has the lowest proportion of high-value products to overall agricultural imports in the region (about 35 percent).

U.S. HVP exports to the Czech and Slovak Republics, Hungary, Bulgaria, and Albania together made up only 16 percent of the CEE market in 1994. Exports to former Czechoslovakia dipped after 1989, but started a recovery in 1991 and are now back to the pre-transition level of about \$15 million. Hungary has seen a general upward trend in U.S. high-value imports, although they are still only one-third of their mid-1980's peak of \$30 million. Bulgaria remains a largely insignificant market, generally averaging less than \$5 million in U.S. high-value imports, while Albania witnessed the largest relative growth, from no trade in 1989 to \$20 million (10 percent of the region) in 1992, before falling back to \$10 million in 1994. In both 1992 and 1993, exports to Albania ranked above former Czechoslovakia, Hungary, and Bulgaria, although these were mostly in food aid.

### **Steady Growth Expected as Economies Improve**

Preliminary USDA figures for calendar year 1995 suggest that U.S. exports of feeds and fodders, fruit, fruit juices, vegetables, and chocolate to Central and Eastern Europe will

achieve 10-year highs, while nuts and oilcakes and oilmeals will reach post-transition highs. Only the animal hides and skins sector is expected to experience a significant decline in exports in 1995. Overall, the percentage of HVP exports to total agricultural exports should increase for the fifth straight year.

The outlook for continued growth in high-value exports is mixed. HVP exports to the region have doubled in the last 5 years and many sectors should continue to grow as the purchasing power of Central and Eastern Europeans improves and market access widens under the Uruguay Round agreement. Poultry exports, which have been the primary force behind HVP export growth, should continue to grow in the short term as incomes rise and U.S. producers maintain their comparative advantage. In the long term, however, the region's poultry sectors (particularly in Hungary) should recover and U.S. exports will decline. The eventual accession of CEE countries to the European Union will further hamper U.S. exports as the principle of "community preference" drives out non-EU goods.

Another strength is the diversified U.S. export profile compared with pre-transition years. Although a few major commodities still dominate HVP exports to the region, the overall breakdown is more differentiated, reflecting rising incomes and the opening of economies to western goods. This diversification should render overall U.S. HVP exports less sensitive to shocks in one or two key commodities.

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# Grain Output To Expand in 1996, But Markets Tight in the Near Term

*EU grain production is expected to expand in 1996, largely because the set-aside rate has been reduced in response to tight supplies. The EU began the 1995/96 marketing year by suspending export subsidies for wheat, and placed an export tax on wheat in early December. Unsubsidized wheat exports have kept EU wheat on the world market, but the EU is not expected to exceed its export subsidy limits set under the Uruguay Round agreement [Mary Lisa Madell].*

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European winter grain plantings for the 1996/97 marketing year proceeded without major weather complications. Plantings are expected to be up because of a lower set-aside rate. A 10-percent rate will apply for both the rotational and non-rotational set-asides (see Glossary for definitions). The EU Commission has estimated that an additional 1.6 million hectares could be planted to arable crops because of the lower rate. Given the limitations on oilseeds area imposed by the Blair House Agreement, and generally unfavorable margins for protein crops, most of the additional area is expected to be planted to grains. Spain, where a 3-year drought has drastically cut grain output, received some much needed precipitation in the late fall and early winter. Producers may be sufficiently encouraged to increase grain plantings.

The reduction in the set-aside rate will affect average yields as well. Generally, land placed in the non-rotational set-aside is the least productive land. When some of this area is planted again, it may produce less than average yields. Also, farmers may not have anticipated being able to bring this area back into production and the land may have weed or nutrient problems that would make it less productive. However, under the rotational set-aside, farmers withdraw their worst land first. By now, the fourth time that they set aside, they will be withdrawing their better land. A lower set-aside rate on this less marginal land will moderate any tendency to decrease yields.

If it is assumed that most of the land brought back into production is planted to grains, and to wheat in particular, and that yields will be comparable to the 1995 harvest, total grain output could increase between 7 and 8 million tons. The increase would be even larger if better weather in Spain expands wheat and barley plantings there.

## **Tight Wheat Supplies Dictate EU Grain Policy**

Current tight wheat supplies and resulting higher prices are the dominant factors behind EU grain policy developments. The lower set-aside rate for the 1996/97 marketing year is designed to increase supplies and contain internal prices. The basic (rotational) set-aside rate was cut from 12 to 10 percent. The rate for non-rotational and combination set-aside (both rotational and non-rotational) was reduced even further, from 17 to 10 percent (and from 13 to 10 percent in the United Kingdom and Denmark). As originally designed, the non-rotational set-aside requires a higher rate than the rotational rate, so that the production-limiting effects of both types will be

the same. The significant reduction in the non-rotational rate should encourage more farmers to choose this option.

At the beginning of 1995/96, intervention wheat stocks had largely been eliminated. Sales of intervention barley to Spain have kept stocks low, leaving only rye stocks at relatively high intervention levels. The reduction in intervention stocks shows the tightness in most EU grain markets, particularly for wheat. Under CAP reform, grain production has dropped because of the set-aside, and lower prices have encouraged higher feed use. Supplies on the market have been limited, even in the immediate post-harvest period. Farmers have opted to hold onto their grain in anticipation of higher market prices or for on-farm use as feed.

The reduction of grain prices under CAP reform was key in increasing feed use of grains. With market prices significantly above intervention levels, EU livestock producers are pressuring the Commission to force prices down.

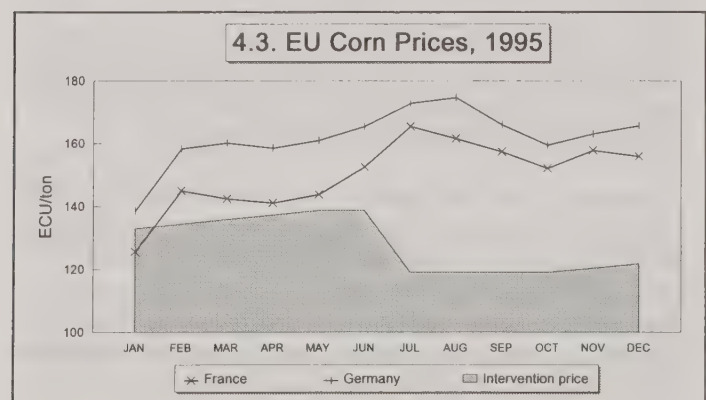
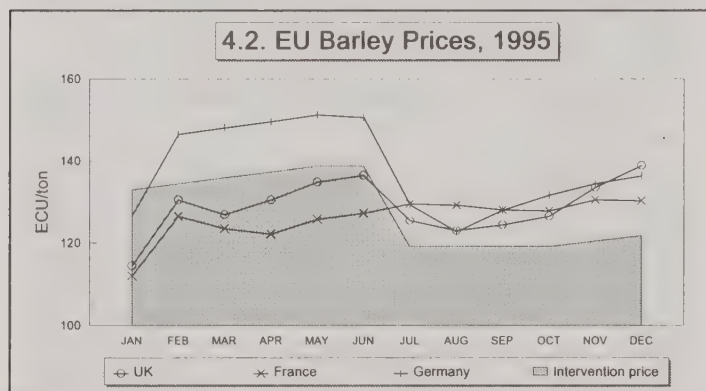
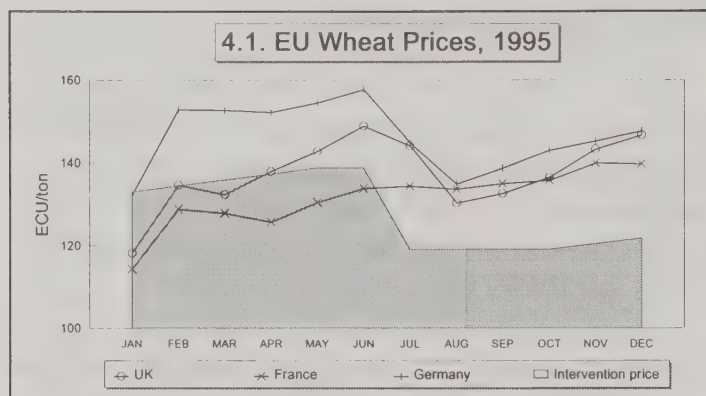
Grain feeding will be influenced by prices for non-grain feeds. Many non-grain feeds, such as corn gluten feed, are imported, and the Commission cannot directly affect their prices. Current world prices for non-grain feeds are high, and recent exchange rate movements have further increased them in EU markets. Should this situation persist, grain feeding would not decline, but livestock production would face very high feed costs.

The impact of the set-aside has not been uniform across grains. Rye area has actually expanded, although from a small base. Rye has become popular because it is not an input-intensive crop, and because currently available hybrids offer good, predictable yields. Producers have removed more barley area to meet their set-aside requirement, while wheat area has not fallen as much. Yet the demand for wheat as feed has grown more than for barley, as farmers view it as a superior feed.

## **Market Prices for Grains Continue High**

Like last year, EU wheat prices began the 1995/96 marketing year above the intervention price (figure 4.1). In the United Kingdom, Ireland, and Italy, market prices have been higher than a year earlier. The Commission is quite concerned that prices above intervention levels will discourage feed use (figures 4.2 and 4.3). At the beginning of last year, the Commission released large quantities of wheat on the internal market in an effort to bring prices down. With virtually no wheat in intervention stores this year, the Commission opted





to suspend tenders for export subsidies for wheat from late July to mid-November.

Exports have nevertheless continued because of unsubsidized wheat sales to third markets. In fact, EU wheat export license authorizations through late December were slightly below the level for the same period last year. Export licences for 5 million tons of wheat and 2.3 million tons of wheat flour were issued by the week ending December 20. The strong pace of export sales and slow sales off the farm have kept market prices high.

On December 7, the EU imposed an export tax on wheat for the first time since 1974, because of very high prices in the world market. The tax was set at 25 ECU's per ton. The tax is a further measure to help the Community keep wheat on the internal market. In this environment, the EU will find it difficult to rebuild its intervention stocks substantially.

### Uruguay Round Limits Not a Problem in 1995/96

Despite continued wheat exports, total EU wheat exports are not expected to reach the limits imposed on subsidized exports in the World Trade Organization (WTO). For the first year of the Uruguay Round implementation, which began July 1, 1995, the EU is allowed to subsidize up to 19.1 million tons of wheat and wheat flour. However, total exports for the year are currently forecast at only 16.5 million tons. Unsubsidized exports are not subject to the limit. According to the Uruguay Round agreement, quantities unfilled in one year cannot be taken up in a later year.

As of late December, coarse grain exports are down compared to the same period last season. Barley export licenses, at 1.2 million tons, were less than 30 percent of the quantity issued last year. Malt export licenses were down 20 percent. Advance fixing of malt export refunds for malt was suspended temporarily in late October, decreasing the appeal of the export market. By contrast, export licenses for over 1.1 million tons of rye were issued, compared with 700,200 tons last year. Most of these are for bread rye in German intervention stores. The Commission appears to want to use exports to hold down intervention stocks of rye.

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# Higher Oilseed Plantings Expected To Follow Near-Record Crop

*Oilseed production rose in 1995 as higher yields offset lower area. Industrial oilseed area continued to grow. Oilseed area and output are expected to rise again in 1996 with a further reduction in the set-aside rate and as Spain recovers from a drought-reduced 1995 crop. Oilseed imports are expected to be down in 1995/96 due to larger domestic supplies. High prices for oilseed products are expected to push crush to record levels, yet high grain prices will continue to make oilseed meal attractive. [Mary Anne Normile]*

EU oilseed production rose in 1995 despite reduced area. Production of the three major oilseeds (rapeseed, sunflowerseed, and soybeans) is estimated at 12.8 million tons, up 0.5 million tons from 1994. Total oilseed production, which includes linseed and other minor oilseeds, will likely exceed 13 million tons. EU oilseed area for the three major oilseeds fell in 1995 from about 6 million hectares to 5.6 million in response to cuts in the oilseed compensation payment for some producers triggered by 1994/95 overplanting and due to a sharp reduction in Spanish sunflowerseed area. Area fell even though the set-aside was reduced from 15 percent to 12 percent, thereby increasing the acreage that could be planted to oilseeds without triggering penalties.

The rise in oilseed production was led by a sharp increase in production of rapeseed, as area rose from 2.8 million hectares in 1994 to 2.88 million, and strikingly higher yields (2.95 tons per hectare, up from 2.57 in the previous year). Area and production of both sunflowerseed and soybeans declined in 1995. Sunflowerseed output was down by an estimated 714,000 tons because of the drought-induced collapse of Spain's crop and lower production in France. Soybean area has never fully recovered in Italy, the EU's main producer, where it fell following the 1992 revision to the oilseed regime that eliminated support to double-cropped soybeans.

## **Blair House Agreement Will Continue To Limit Oilseed Area**

Area planted to the three major oilseeds is limited under the terms of the Blair House Agreement. In 1995, the oilseed area receiving compensation payments under the EU's oilseed support regime was limited to 4.824 million hectares (table 5.1). This figure reflects a set-aside rate of 12 percent for the 1995 crop and the additional oilseed base area resulting from the recent EU enlargement<sup>6</sup>. Lower area planted and the reduction in the set-aside rate put EU oilseed area eligible for compensation payments below the Blair House limit. EU-12 oilseed area exceeded the limit in 1994/95, resulting in cuts in oilseed payments of 10 percent or more to producers in countries where significant overplanting occurred (Ireland,

<sup>6</sup> Under the terms of the Blair House Agreement, the entry of Austria, Finland, and Sweden into the EU raised the oilseed base area to 5.482 million hectares from 5.128 for the EU-12. The base area is reduced by the arable crops set-aside rate or 10 percent, whichever is higher, to produce the oilseed area ceiling.

**Table 5.1. Oilseed area and area ceiling**

Year		Set-aside	Area ceiling*	Actual**
1994/95	EU-12	15%	4 674	5 081
1995/96	EU-15	12%	4 824	4 667 e
1996/97	EU-15	10%	4 934	N/A

\* Reference area (1000 ha) (separate oilseed base) reduced by set-aside rate, limit established by Blair House Accord.

\*\* Non-industrial oilseed area only (1000 ha). e = estimate.

Germany, and the UK, and Spain and Portugal for non-sunflowerseed oilseeds).

Producers in Germany, Spain, and the UK responded to cuts in their direct payments by reducing 1995 oilseed area. Large payment cuts (18 percent) were levied on German producers because of overplanting last year. Consequently, the fear of incurring the larger penalties that would result from a second straight year of overplanting led German producers to plant other crops. French oilseed area rose mainly on the strength of higher rapeseed planting, especially industrial rapeseed grown on set-aside. French oilseed producers incurred small payment cuts (4 percent) last year, and were encouraged by French government policies to plant industrial oilseeds. In Spain, once the EU's largest producer of sunflowerseed, area has fallen off dramatically since the early 1990's, in response to reductions in support and the effects of a long-term drought. In addition, some Spanish sunflower plantings were abandoned this year because of extremely low yields. The EU's three new members—Austria, Finland, Sweden—accounted for 366,000 hectares of oilseeds, most of which were planted to rapeseed.

The official estimate of set-aside area planted to oilseeds for industrial use is not yet available. However, it is believed to have risen to 900-950,000 hectares, up from 600,000 in 1994/95, despite the lower set-aside requirement (a higher set-aside requirement results in an increase in set-aside land eligible for the industrial crop program). Under the CAP's arable crops scheme, producers may plant certain crops, including oilseeds for non-food use, on set-aside land. This area qualifies as set-aside under the arable crops scheme, and the producer is paid the set-aside premium for this acreage in addition to any proceeds from sale of the crop. Industrial oilseed production continues to flourish in the EU as outlets for industrial seed expand with the development of biodiesel



processing capacity and with favorable tax treatment and other national policies that encourage use of agricultural products for fuel. The final industrial oilseed area could approach the Blair House limit of 1 million tons in soybean meal equivalent for oilseeds planted on set-aside. The EU has not yet fully implemented measures to ensure that the limit is not exceeded.

Because of the large 1995 crop, oilseed imports, excluding intra-trade, may be down slightly in 1995/96. Soybeans are expected to decline slightly (from 15.1 to 14.8 million tons), rapeseed imports, excluding intra-trade, will likely decline more sharply due to higher domestic supplies, while imports of sunflowerseed will expand (from 2.0 to 2.5 million tons) due to the short EU crop.

### **Continued Output Growth Forecast for 1996**

Oilseed area and production will likely increase in 1996, as the set-aside rate has been lowered to 10 percent. Producers will also be less wary of incurring large payment cuts, because no penalties were assessed this year. Under the terms of the Blair House Agreement, penalties for overplanting oilseeds in consecutive years are cumulative, but payments are restored to their base level in a year when the limit is not exceeded.

Oilseed crush is anticipated to be record high at nearly 29 million tons, generating record production of oilseed meal.

High prices for vegetable oils and protein meals are keeping crush margins high and raising crush demand for oilseeds. Meal consumption is forecast to reach record levels in 1995/96, with consumption of oilseed meals up about 250,000 tons from last year. Soybean meal use is expected to decline very slightly as it is replaced by increased supplies of rapeseed meal from EU production and sunflowerseed meal from increased crush of domestic and imported seed. High grain prices continue to make oilseed meal attractive to feed compounders, although the imposition of export taxes on wheat and barley will lower prices of these grains within the EU, which will expand the use of grain for feed. Imports of soybean meal are expected to decline slightly as a result.

Production of vegetable oil is also expected to reach a record. Oil consumption will be higher, due in large part to increased industrial use of oils for production of biodiesel. Rapeseed oil use is projected to expand more than 30 percent due to biodiesel production.

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## **Prices Rebound as Surging Beef Exports Deplete EU Stocks**

*A surge of beef exports in 1995 has almost completely depleted intervention stocks and reversed the downward trend in market prices. However, beef consumption continues to fall in the face of lingering health concerns and lower prices for competing meats. [Timothy J. Smith]*

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After several years of decline, beef and veal production in the European Union edged upward in 1995. Production for the EU-15 is estimated at 8.1 million tons for 1995, up 1 percent from the previous year and the first production gain since 1991. The increase is due mainly to cyclical factors and higher prices stemming from booming export demand, particularly in the Middle East and Russia. Growth in output was stagnant in most member states, with France and the United Kingdom accounting for most of the overall increase.

### **Export Surge Depletes Intervention Stores**

Adult bovine cattle prices in the European Union shot up 10 percent in 1995 in response to a tighter market and disappearing surpluses. Intervention stocks plummeted from more than 1 million tons in 1992 to about 10,000 in mid-1995, prompting speculation that the EU beef intervention system would be suspended by the end of the year, as surpluses are eliminated. Over 3 million tons of EU beef have been exported since 1992, much of it from intervention stocks, at a cost of 4.5 billion ECU (\$5.8 billion) to European taxpayers.

Beef has not been bought into intervention since May 1993, while stocks were sold very rapidly. The regulation defining the maximum carcass weight for intervention beef may be annulled. The European Court of Justice ruled that the Commission exceeded its authority when it introduced the measure in 1993. Ireland and France argued successfully that such a measure could only be approved by the Council of Ministers. If the slaughterweight limit is annulled, the Council of Ministers will likely replace it with similar legislation.

Ireland remains the biggest beef exporter, supplying roughly one-third of total EU exports. The largest market is still Egypt (228,000 tons). Sales to Russia, however, grew sharply in 1995 in response to economic development and Moscow's new emphasis on hard currency trading. British beef exports rebounded after London persuaded more Middle Eastern countries to remove their BSE (bovine spongiform encephalopathy, or "mad cow disease") restrictions on UK beef. The restrictions went up in 1989 in the wake of the BSE epidemic. In 1994/95, Cyprus and Tunisia lifted their restrictions, and Jordan was expected to follow suit. Meanwhile, Egypt agreed to accept boneless beef under certain



conditions, although it still prohibits imports of bone-in beef and live cattle. The UK is relying on increased exports to prevent national oversupply if and when EU beef production increases in the next 2 to 3 years. In mid-1995, two-thirds of EU intervention stocks were held in Britain.

This year's surge in EU beef exports to third countries led the Commission to cut export restitutions by 7.5 percent on live cattle and 5 percent on carcass beef, causing producers in Ireland to complain about possible instability and reduced producer confidence. The Commission is also taking steps to prevent traders from stockpiling unused export licenses for increased security. The Commission implored exporters to use up their export licenses before applying for new ones, and threatened to suspend issuing licenses altogether. There is a continuing budgetary problem as long as exports require subsidization. The cost of export restitutions (subsidies) averages 1.1 billion ECU (\$1.4 billion) per year, while intervention purchases and the payment of suckler cow and beef special premia cost over 3 billion ECU (\$3.9 billion).

While EU exports of live cattle have surged, imports, primarily from Central and Eastern Europe (CEE), have fallen sharply due to policy changes, disease outbreaks, and declining herd sizes in the CEE countries. Italy is the EU's biggest live cattle importer, while Germany leads in fresh beef imports.

### ***Declining Consumption Contributes to Beef Surpluses***

The main concern in the EU beef and veal sector continues to be the long-term downward trend in consumption, which has fallen from 25 kg to 21 kg per capita since 1985. Consumption is falling as quickly as production—resulting in an average annual surplus of 300,000 to 400,000 tons. The decline in beef consumption is attributed to lower prices for competing meats (especially poultry) and lingering health and welfare concerns (figure 6.1).

An important effect of both CAP reform and the Uruguay Round is to alter the competitive relationship between the major meats. The expected reduction in feed grain prices will reduce input costs and stimulate growth in the pork and poultry sectors to the detriment of beef and veal producers. Public concerns about animal welfare issues have fueled a movement to regulate live animal transshipments, to mandate

labeling of certain livestock products, and to abolish the use of veal crates. Veal production and consumption are both down 10 percent from last year and the major producers—France and the Netherlands—are anticipating further declines due to difficulties in obtaining calves from the UK.

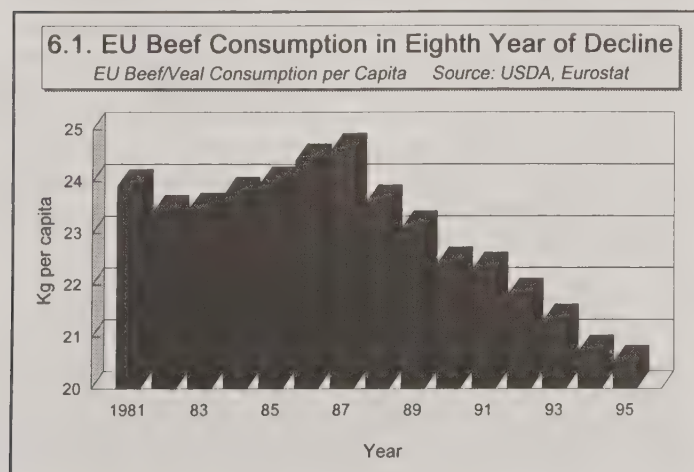
### ***EU Enlargement Will Have Minimal Effect on Beef and Veal Sector***

The accession of Austria, Finland, and Sweden to the European Union (effective January 1, 1995) will have a minimal impact on the EU beef and veal sector as a whole. The new members will add only 6 percent to production and 5 percent to consumption. Significant disruptions are already affecting the Finnish market, however. Prices have fallen dramatically in Finland and producers are enjoying a surge of exports to EU markets, particularly Sweden. Sweden and Austria will experience a smoother transition, having already adjusted most of their markets and policies to EU norms prior to accession. Of the three new members, Austria is the largest beef and veal producer, at more than 200,000 tons per year, but ranks only ninth in the EU. Austria and Finland are net exporters, while Sweden has traditionally been an importer.

Enlargement will, however, have a significant effect on U.S. exports to Austria, as the new members apply the EU's continuing ban on beef from hormone-treated cattle. Prior to accession to the EU, Austria had a high quality beef (HQB) quota with the United States of 1,000 tons. Beginning in 1995, U.S. beef exports to Austria were subject to the EU hormone ban, and dropped more than 90 percent to less than \$500,000. Other factors restricting U.S. beef exports are recovering EU production due to cyclical factors and declining demand driven by the downward trend in consumption.

Agricultural Commissioner Franz Fischler proposed a reassessment of the EU hormone ban affecting U.S. meat. He said a reassessment was required because new substances are now available, new scientific evidence must be considered, and public perceptions must be readdressed. Under the Uruguay Round Sanitary and Phytosanitary (SPS) Measures, countries may impose trade controls "to protect human, animal or plant life or health," if the measures are based on scientific evidence and are not discriminatory. The United States asserts that the EU hormone ban is not based on science. A public forum was held on the issue in late November, at which European scientists concluded that the growth hormones posed no health risks.

Developments in the dairy sector have a significant effect on beef and veal markets due to the large proportion of beef produced from dairy cows. The number of dairy cows is declining throughout the EU. Dairy herds have slowly declined because productivity gains have to be offset to keep production under the maximum amount allowed under the milk quota scheme. Southern Europe, where milk yields are 20 percent below the EU average, has the biggest scope for productivity gains. The gains are often achieved by eliminating small farms with low yields. The major exception is in France, where farmers apparently prefer to enlarge herd sizes rather than increase productivity. The pressure of milk quotas in reducing cow numbers has a direct impact on the





supply of cattle going for finishing, thus limiting growth in the beef/veal sector.

### **Small Rise in Production Forecast for 1996**

Slaughter numbers are expected to remain constant in 1996, while the trend of increasing carcass weights continues, resulting in a very modest increase in production. Uruguay Round commitments are unlikely to affect trade in the near term. Imports from Central and Eastern Europe are increasing due to association agreements with the European Union that have lowered trade barriers and increased consumer purchasing power. EU export limits under the Uruguay Round Agreement are not likely to affect trade for several years now that surpluses have been depleted. However, beef exports will decline by about 15 percent in 1996, reflecting the depletion of intervention stocks. Ireland and France will suffer the greatest reductions. Imports are expected to be unchanged from the 1995 level. U.S. exports to the EU will increase

significantly only if the EU lifts its ban on hormone-treated beef.

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## **EU Pork and Poultry Exports Face Uruguay Round Limits**

*Despite higher prices in 1995, pork production and consumption remained nearly unchanged from 1994. Growth in poultry production and consumption slowed. Pork and poultry exports are likely to decline as Uruguay Round limits take hold, export subsidies fall, and marginal producers fall out of the market. [Elizabeth Jones]*

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EU-15 pigmeat production is forecast at 15.2 million tons in 1995, just short of 1994's 15.32 million. Production was affected by hot weather during the summer in most pig producing countries. The hot weather slowed growth rates and reduced the number of pigs available for slaughter beginning in November and running through January or February. However, supplies are expected to remain abundant. Pork production is expected to remain unchanged in 1996.

### **Pork Production Declines in 1995**

Pork production continued to fall in Germany in 1995 due to a drop in hog inventories and outbreaks of hog cholera (figure 7.1). Imports of slaughtered hogs increased in 1995 with further increases expected in 1996, as the Dutch and Danish ship more hogs to Germany. Production continues to fall in the Netherlands due to prolonged low prices. France increased pork production in 1995, with the goal of becoming a leading EU pork producer and a larger EU exporter.

EU-15 pork consumption remained stable at 14.2 million tons in 1995 and is expected to fall slightly in 1996. Per capita consumption is stable or rising in most EU countries (figure 7.2). However, in Germany per capita consumption declined in 1994 and 1995 due to a slight rise in price and scares about hog cholera and meat hygiene. The BSE scare on beef and the program to eradicate classical swine fever reduced beef and pigmeat consumption, as the disease became linked with meat eating. In 1995, Germany accounted for 27 percent of

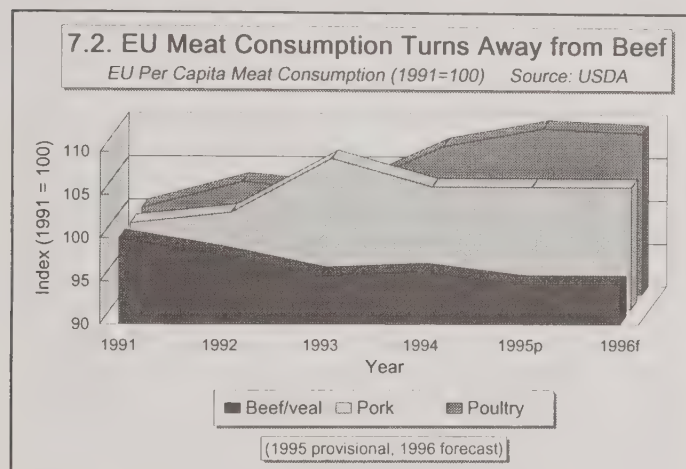
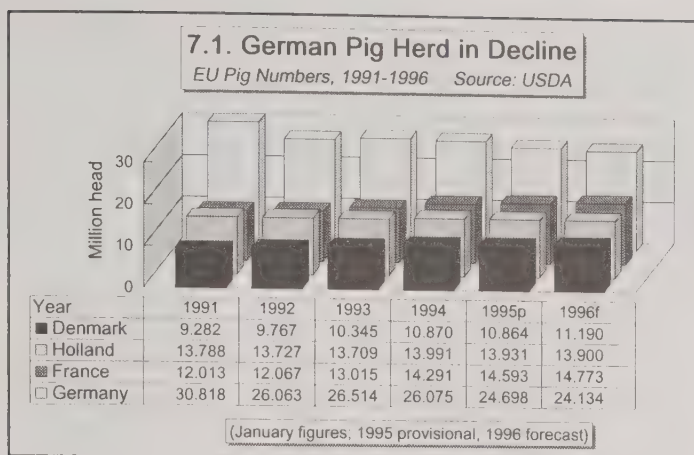
total EU pork consumption. Between 1993 and 1995, German pork consumption declined 3.8 percent, or 1 percent of total EU consumption, a significant amount.

EU-15 herd numbers dropped 1.5 percent in 1995 to 116.3 million pigs, returning to 1993 levels. Herd sizes declined in Germany—the largest EU pig producer (5 percent), Portugal (9 percent), Greece (4 percent), and Italy (4 percent), and are expected to continue declining until first-quarter 1996. EU herd numbers are expected to decline slightly in 1996 to 115.4 million.

German herds dropped as outbreaks of hog cholera from April 1993 to March 1995 forced large scale slaughter. Hog inventories are expected to drop in 1996 due to reduced sow stocks, falling prices, and increased imports from Denmark and the Netherlands. German hog production and marketing are less efficient and profitable than that of its neighbors. Herds expanded in France, Spain, and Ireland. France and Spain have increased inventories by taking advantage of cheaper grain prices and available land.

Dutch hog inventories will remain unchanged, as producers struggle to resolve several potentially production-limiting problems. With CAP reform and the fall in grain prices, the Dutch have lost some of their competitive edge of low feed costs compared with producers in grain-producing countries, who can now provide feed rations on a cost-effective basis.





Secondly, Dutch production, long characterized by intensive rearing practices and densely populated animal inventories, now finds itself constrained by a lack of sufficient land to dispose of animal manure.

### **Pigmeat Prices Climb in 1995**

EU pigmeat prices, boosted by private storage aids and declining production, returned to 1990-92 levels in 1995, after remaining low throughout 1994. The Commission granted private storage aids beginning in February for pig carcasses to boost prices, thereby increasing the market value of pork. Some 70,000 tons of meat were temporarily stored in refrigerated warehouses for 3 months. Prices slowly climbed during the first 10 months of 1995, reaching a high of 152 ECU (\$197) per 100 kg in August. A temporary surge in Japanese demand drove slaughter pig prices up in Denmark, France, and the Netherlands during autumn 1995. Wholesale bacon prices jumped 40 percent.

The average pork price in France increased again in 1995, after declining 27 percent in 1993. In the Netherlands, pork prices increased more, when compared with increases in beef or poultry prices, but still remained low. Low market prices in Germany drove profit margins down for producers, resulting in lower production and increased imports.

### **Subsidized Exports To Fall as Competition Stiffens**

The EU pork market is largely dependent on exports to third countries. In 1995, the EU-15 is forecast to export approxi-

mately 736,000 tons of pigmeat, slightly less than in 1994. While exports are projected to rise slightly in 1996, they are not likely to increase significantly in the future due to the Uruguay Round (UR) agreements. Most of this trade is exported with subsidies. Under the UR, the EU committed to reduce the volume of subsidized exports beginning in 1995 from 477,000 tons to 388,000 tons by the year 2000. Export subsidies will be reduced in value from \$210.3 million in 1995 to \$143.2 million in 2000.

Denmark, the largest EU exporter, faces increasingly stiff competition from the United States in its East Asian and Japanese markets. Japan is presently the EU's largest single-country export market. EU exports of pigmeat to Japan are characteristically a high-value product shipped without the aid of export subsidies, and therefore, were not included as part of the EU's UR commitment. In 1994, Denmark sold 133,000 tons of pigmeat to Japan, while the Netherlands sold 3,000 tons, and France sold 400 tons. Although demand for pigmeat in Hong Kong, Taiwan, South Korea, and Southeast Asian countries has increased, other trade is diminishing. For example, Danish exports to Japan dropped 6 percent from a year earlier in 1994, and 8 percent in the first 6 months of 1995. As external markets shrink, these exports will likely turn to Europe, depressing prices and profitability.

Other important export markets have included the United States, Russia, and Eastern Europe, specifically Poland. Exports to Russia and Poland are generally of lower quality, such as luncheon meat and salamis. Opportunities for continued or expanded trade with Russia are very uncertain, as previous exports were aided by special subsidies.

In 1998 the pig cycle is expected to peak, potentially resulting in large pork surpluses. Pork, which was previously exported with subsidies, will likely remain on the internal market. The profitability of the pigmeat sector will depend upon a significant reduction in production costs, specifically for feed grains, as producers attempt to clear the market without export subsidies. For many producers, the recent declines in grain prices have not reduced production costs to levels where pork production remains profitable. As the volume of subsidized exports declines, to meet the UR agreement, marginal producers are likely to fall out of production. Whether the EU will eliminate or reduce the value of refunds on high-value products while maintaining or increasing refunds at full levels for lower-valued products remains uncertain.

### **Poultry Production and Consumption Rise Slowing**

EU-15 poultry production increased 2 percent in 1995 to 7.5 million tons, with production up slightly in France, the leading EU producer, the Netherlands, Spain, Italy, and the UK. Although growth in production is slowing in France, poultry meat production is expected to rise 3 percent in 1995. EU poultry production is forecast to decline 1 percent in 1996, mainly due to production declines forecast for France and Italy.

EU-15 poultry meat consumption rose 2.3 percent in 1995 to 6.9 million tons. Consumption is forecast to rise slightly



in 1996. Per capita poultry consumption rose in 1995 but is expected to decline slightly in 1996, with the largest decline forecast for Italy. Broiler meat consumption continued to rise in 1995, as broilers remained the most popular poultry meat in the EU at 67 percent of total consumption.

Turkey consumption was unable to keep pace with production in 1995, a shift from recent years in which both have soared. As a result, producer and wholesale prices fell sharply. France, the Netherlands, Italy, and the UK are the main turkey producers in the EU. France accounted for 41 percent of EU turkey meat production in 1995, up slightly from 1994. Although turkey hatchings in France increased 9.2 percent during the first 7 months of 1995, the rate of growth has slowed. Hatchings are also up in Italy and the UK. However, increased hatchings may not lead to higher production, as hot summer weather reduced slaughter weights. Exports were equal to 31 percent of EU turkey meat production in 1994, of which approximately two-thirds went to other EU countries. France is the leading exporter of turkey meat, increasingly exporting a greater share of its surplus. Germany is the biggest EU importer of turkey meat, principally importing from France.

### ***Poultry Meat Exports Continue To Rise in 1995***

EU exports of poultry meat are forecast to rise 2.5 percent in 1995 to 783,000 tons, with broiler meat representing the large share. France and the Netherlands are the leading EU exporters. Dutch exports of broiler meat and turkey meat rose almost 25 percent in the first half of 1995, with exports principally going to Russia, and lesser amounts to Hong Kong, China, Singapore, Africa, Ukraine, and the Baltic States. French poultry exports increased 19 percent from January to June 1995, with half the exports going to destinations within the EU. French sales of broiler meat to third countries picked up in 1995, while turkey exports dropped below 1994 levels. Poultry meat exports are forecast to rise 7.6 percent in 1996, as the EU seeks to maintain its markets in the Middle East and the former Soviet Union.

EU poultry meat imports rose 7 percent in 1995, with Germany, the Netherlands, and the UK as major importers. French imports rose 10 percent in 1995, with broiler meat increasing 18 percent, turkey rising 64 percent, and ducks rising 6 percent. EU imports are forecast to rise 3.8 percent in 1996, reflecting a 3.3-percent rise in broiler meat and a 2.6-percent rise in turkey meat.

### ***Poultry Market Faces Uruguay Round Agreement Limits***

The EU poultry meat sector, particularly for chicken and turkey exports, is facing a serious market situation as UR limits on the volume and value of subsidized exports began to take effect in 1995. Rapid expansion in the poultrymeat sector was fueled by the availability of export refunds during the first half of the 1990s. The EU poultry industry is unable to compete on the world market without export refunds unless

production costs fall significantly. So far, grain prices have not declined sufficiently to reduce feed prices. Feed costs represent 60-70 percent of the total cost of poultry production. As the limits on subsidized exports take hold, poultry meat surpluses previously exported with the aid of subsidies will likely be returned to the internal market, depressing prices and producer returns. Duck and guinea fowl, while not directly affected by the UR agreements, will suffer as competition from other meats in the EU picks up.

Under the UR agreements, the EU committed to reduce exports of poultry meat to 290,000 tons by the year 2000, a reduction of 37 percent from 1994 levels. In budgetary terms, the EU agreed to reduce expenditures 36 percent from the base years, 1986-90, by the year 2000. However, given the rapid growth in exports in recent years, by the year 2000 this cut will reflect a 61-percent reduction in expenditures from 1994.

During the 1990's, poultry meat production and exports greatly expanded, with the largest growth in France and the Federal Republic of Germany. Total German exports increased 29 percent from 74,00 tons in 1991 to 96,000 tons in 1994, some of which may have been re-exports from other EU countries. Over this period, French extra-exports increased 75 percent, while production grew 11 percent and consumption grew only 4 percent. Danish production increased 25 percent, with extra-EU exports increasing 43 percent. Over that period, despite competitive pricing with other EU meats, EU consumption of poultry meat increased only 2 percent, with exports, supported by EU subsidies, absorbing production surpluses. With WTO limits, the EU will no longer have an outlet for increased production, unless it can greatly expand unsubsidized exports.

Not only are WTO limits a problem, but the EU may be losing a share of the world poultry market as competition from third countries picks up, particularly from the United States. French exports to the Middle East have felt the pressure since mid-1994 as domestic production within the region increases and competition stiffens. U.S. competition is also being felt in Central and Eastern Europe and the former Soviet Union. So far, EU production has not adjusted to this changing export market. Given present feed costs, further expansion of the EU poultry meat industry will likely be limited to production that can be exported without subsidies.

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# Fruit and Vegetable Proposal Gives New Life to Producer Groups

*A new proposal to reform the EU fruit and vegetable sector would reduce payments to farmers to withdraw surplus production from the market while strengthening the role of producer organizations. The EU's extensive trading regime for fruits and vegetables would remain largely intact. [Linda A. Scott]*

A new proposal to reform the Common Market Organization for fruits and vegetables was adopted by the EU College of Commissioners on October 4, 1995. The proposal, which has yet to be ratified by the Council of Ministers or EU Parliament, is the latest in a series of reforms to the EU Common Agricultural Policy that began in 1992 for most other commodity sectors.

Overall, the proposal is a modest one that largely maintains the current regime of export refunds, processing subsidies, and trade barriers while reallocating public expenditures from the short-term disposal of market surpluses to long-term market development (see "HVPs Dominate U.S. Exports to the EU" in this report). The Commission's central objectives under the proposal are twofold; to increase the sector's capacity to respond to changing global and domestic market conditions by strengthening producer organizations and to reduce surplus production and budgetary outlays by lowering producer price supports channeled through the withdrawal system.

## Commodity Withdrawals Will Decline Under Proposal

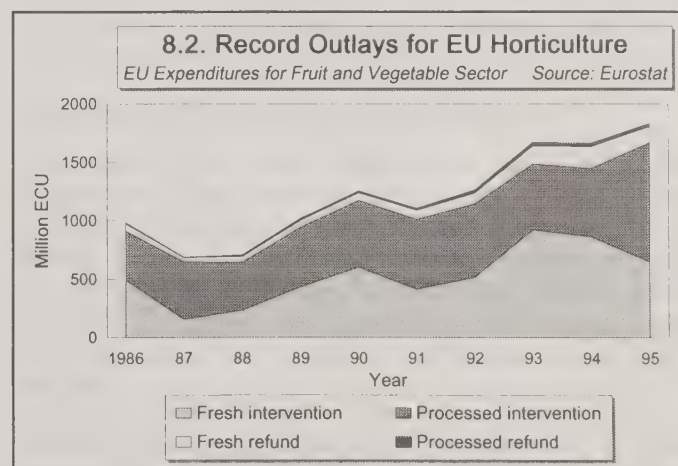
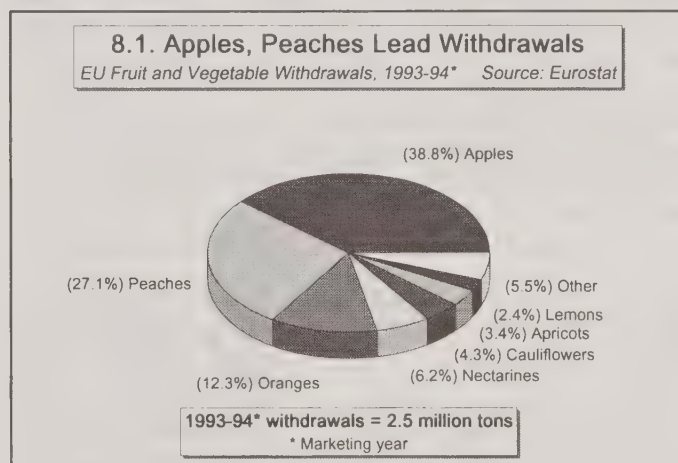
Under current policy, the primary mechanism to support fruit and vegetable producers is the maintenance of a floor price under which farmers are paid to withdraw produce from the market during periods of surplus. Unlike regimes for other commodities, the support price is set well below market levels and acts largely as a safety net to insulate the market from sharp fluctuations in supply, although the low support price has not discouraged some farmers from growing produce primarily for withdrawal payments. An estimated 2.5 million tons of the 14 commodities covered by the system were withdrawn from the market in 1993/94 and withdrawals accounted for about one-third of total EU expenditures for fruit and vegetable intervention (figure 8.1). The system is operated by producers' organizations in member states, many of which exist primarily to manage withdrawal payments. Farmers must be members of a producer group to participate in the program.

Besides its significant budgetary drain, the withdrawal system has been criticized for encouraging abuse by allowing farmers to produce poor quality produce solely for intervention and for threatening the environment with large quantities of waste produce (figure 8.2). Although in theory, the surplus commodities are disposed of through hospitals and charities or used for animal feed, in practice, logistical and cost constraints typically result in their large-scale destruction. Environmental groups have recently expressed concerns that the

substantial quantities of rotting produce typically generated by the withdrawal regime, 60 percent of the total on average, have polluted water supplies and provided breeding grounds for harmful insects.

## Withdrawal Expenditures Will Drop by Half or More

The reform proposal would change the current support system by gradually reducing the prices that farmers receive for withdrawn produce while limiting the quantity of surplus produce that could be offered for compensation. Withdrawal expenditures would decline 60 percent to 128 million ECU (\$166 million) between 1996 and 2001 with the price adjustments phased in gradually over the 5-year reform period. Withdrawal prices would be set at the lowest average 1995/96 price in the first year following the agreement and cut 15 percent by 2001. Withdrawal payments would be further reduced by placing a ceiling on the maximum quantity of





marketed produce that may be offered for withdrawal from 50 percent of the total quantity of a product traded by an organization in the second year of the agreement to 10 percent by 2001. For example, an organization that markets 100,000 tons of fresh apples in a given year would be limited to annual withdrawals of 50,000 tons in 1997 and 10,000 tons by the end of the reform period (figure 8.3).

### Expanded Role Proposed for Producer Organizations

Although the proposed reforms would generate substantial budgetary savings through declining price supports, larger payments to producers' groups would make the overall proposal largely budget neutral. Producers' organizations, which currently receive no state support beyond withdrawal payments, would see their funding rise to 257 million ECU (\$334 million) in 2001. The new funds would be used to create long-term market development programs by farmers' groups, including sustainable production practices, production planning, consumer promotions, and increased production of organic produce.

Half an organization's operating budget would be self-financed through a levy on marketed production, while the other half would come from public matching funds up to a limit of 50 percent of total expenditures. The Commission would finance 80 percent of the matching funds, while 20 percent would come from member states. Producer organizations that operate across state lines would receive 60 percent of their funding from appropriated monies. Although the funds are

intended primarily for marketing purposes, to ease the transition to lower price supports, up to 40 percent of a producer's organization's operating budget may be used for withdrawals during the first year of the reform with the percentage declining to 10 percent by 2001.

Producers' organizations would be further empowered by a new rule that would bind nonmembers to an organization's marketing rules if two-thirds or more of the producers in an area join the group. Processing subsidies would be limited to those processors who have contracts with recognized producer organizations.

### New Quality Standards Will Be Put in Place

The Commission hopes to further improve the efficiency of the marketing system by mandating the adoption of United Nations' quality standards for fruits and vegetables. The standards are close to those already in place in the Union and would apply to all marketed commodities except those destined for farmers' markets, processing, packaging, or storage. An oversight board, consisting of inspectors from both the Commission and member states, would be created to ensure compliance with the new regime.

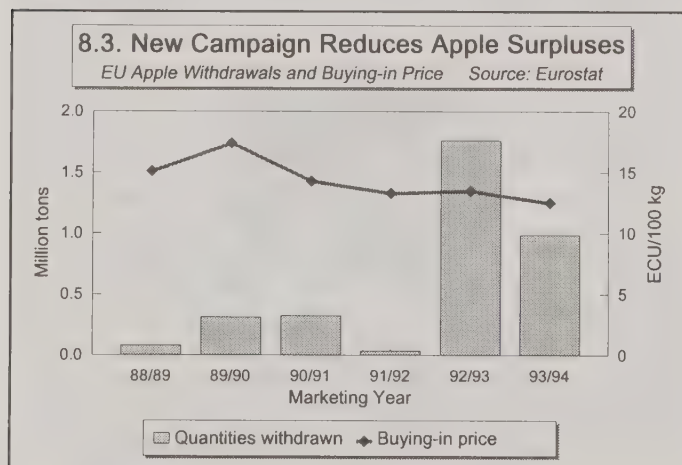
Taken together, the economic implications of the proposal are expected to be modest. While considerable cost savings and environmental improvements are likely to be realized by reducing withdrawal payments, increased Commission and state funding for producer groups and generous subsidies for fruit and vegetable processors would continue to burden taxpayers with large budgetary expenditures. The proposal would do little to reduce export refunds as most of the produce currently withdrawn is typically of poor quality and ineligible for export restitution. Furthermore, with the withdrawal price set far below the market average, the proposed reforms are unlikely to have a noticeable impact on retail prices. In fact, because the proposal would leave the EU's restrictive trading regime intact, limited market access for competitive imports will continue to maintain consumer prices well above world levels.

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# Central and Eastern Europe: Over the Hump At Last?

*The agricultural sectors of Central and Eastern Europe enjoyed a very good year in 1995, largely the result of good weather. Grain and oilseed production were up significantly, and the livestock sectors are showing signs of recovery. Nevertheless, the region's transition to a market economy is still far from complete. With further progress toward market reform, the region has the potential to generate even larger surpluses of raw agricultural products, which will have significant implications both for eventual EU enlargement and for U.S. trade with the region. [Nancy Cochrane]*

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Five years after the beginning of their transition to a market economy, most of the countries of Central and Eastern Europe (CEE) are already showing signs of recovery, and the rest can be expected to turn around their economies in the next year or two. All but the former Yugoslav Republics have seen a return to positive GDP growth, inflation is down, and the currencies are becoming more stable.

Despite a very good year for the agricultural sectors of the CEE's, agriculture continued to face the same problems that have persisted since 1989. Agricultural income continues to lag behind that of other sectors. In many countries the sector is still burdened by inefficient, highly indebted state enterprises. Yet the fact that the sector performed so well in 1995 despite these lingering problems suggests a significant potential for further growth once some of these problems are resolved.

## **Macroeconomic Scenario: Region Returns to Positive Growth**

In 1995 all the CEE's but some former Yugoslav Republics returned to positive GDP growth. For many of these countries, this marks the second year of positive growth. Real per capita GDP growth reached about 5 percent in Poland and was between 2 and 4 percent in Hungary, Romania, and most other CEE's. Bulgaria, which has been the last to turn its economy around, managed about a 2-percent increase in 1995. Growth has been highest in Albania—7 percent in 1994 and 6 percent in 1995. However, this is from the lowest base.

Inflation has been falling in all the countries except the former Yugoslav Republics. Czech inflation is already approaching single digits, down to about 10 percent in 1994. Inflation in Poland and Hungary has been falling steadily, and Romania's inflation fell to about 80 percent in 1994 from triple digits in previous years. Bulgaria's inflation rose to more than 122 percent in 1994, but has been falling rapidly during 1995 and is projected to fall in coming years. Inflation continues high in some former Yugoslav Republics. The exception is Slovenia, whose inflation rate fell below 20 percent in 1995.

## **Trade Policy Changes Reflect Uruguay Round Commitments**

Through 1995 the CEE's continued their tendency toward increasingly protectionist policies. All the CEE's have revamped their policies to comply with their Uruguay Round

(UR) commitments: reducing export subsidies, eliminating variable levies, and replacing non-tariff barriers with a transparent system of tariffs. However, these moves have not necessarily improved access for U.S. products. The CEE UR commitments allow them to bind their tariffs at very high levels, and typically UR-inconsistent barriers have been replaced with high tariffs. For example, Romania's minimum import price for poultry has been replaced with a 145-percent tariff.

Some countries, however, have experienced difficulties complying with their commitments on export subsidies. In particular, the Hungarian government allocated 35 billion forints (\$282 million) for export subsidies in 1995, which is 50 percent over its UR commitment. The Hungarians maintained that the error resulted from miscalculation of subsidies granted during the base period under the former Comecon agreements. They also argue that they should be given an allowance for the depreciation of the forint. The Czechs too were in danger of exceeding their export subsidy commitment, but were saved by high world grain prices in 1995, which eliminated the need to subsidize exports.

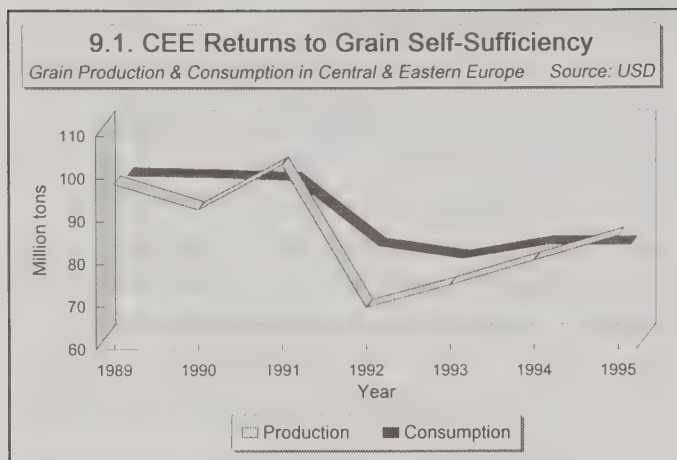
All the CEE's have signed Association Agreements with the EU, although these agreements are presently being renegotiated to comply with the WTO. The Central Europe Free Trade Agreement (CEFTA) also went into effect this year. According to this agreement, the five CEFTA countries (Poland, Hungary, the Czech Republic, Slovakia and Slovenia) will cut tariffs on products from other CEFTA countries by 50 percent as of the beginning of 1996 and will eliminate most barriers to intra-CEFTA trade by 1998.

## **Crop Output Climbs Throughout Region**

Agricultural performance throughout the region was significantly improved in 1995/96 over recent years. Grain production, in particular was the highest since the beginning of the transition (figure 9.1). More important, the precipitous decline in livestock inventories that began in 1990 may finally be ending. Hog and poultry numbers were up in several countries, and there are signs that cattle numbers will soon stabilize.

The improvement in the crop sector is mainly due to better weather. Agricultural performance probably does not yet reflect any productivity gains realized through successful mar-





ket reform. Inefficiencies, surplus labor, and high costs still exist in the state sector and it is still difficult to obtain capital for much needed improvements. Furthermore, land redistribution is still in progress, and land markets have not yet developed.

**Some obstacles still facing agriculture include:**

*Lack of short- and long-term capital.* Nominal interest rates are still near 60 percent or higher, and while real interest rates are low, they are prohibitive for most agricultural producers. Those who do wish to borrow find that banks are reluctant to lend to them. Because of the high indebtedness of many agricultural enterprises, banks regard agriculture as a poor credit risk. Furthermore, because land ownership rights are still unclear in many countries, producers cannot offer their land as collateral.

*Slow pace of land reform.* Bulgaria and Romania are the two countries that have undertaken to break up cooperative farms and redistribute the land on a massive scale to former owners. Romania essentially completed the process 3 years ago, but even now only 50 percent of the new land owners have received permanent title to their land. The reprivatization of land in Bulgaria began in 1992, but as of July 1995 only 45 percent of the land had been restituted. Frustrated by the slow progress, Parliament passed a series of amendments to the Land Law that would have given cooperatives first right of refusal on any land offered for sale. These amendments were struck down by the Supreme Court, but uncertainty surrounding the process is now greater than ever, and progress has virtually halted. In both Bulgaria and Romania, uncertainty over long-term ownership rights to the land has had a disruptive effect on agriculture, making it difficult to make long-term investment decisions.

These problems are less acute in other countries. In Hungary, Slovakia, and the Czech Republic, most claims from former land owners have been settled, and most new land owners have chosen to lease their land to cooperatives. Thus, large scale farming continues to dominate in these countries. But in Poland, the problem of fragmented farm structure continues. The problem will be resolved only when off-farm employment opportunities improve, so that more marginal farmers will be encouraged to give up farming and sell their land.

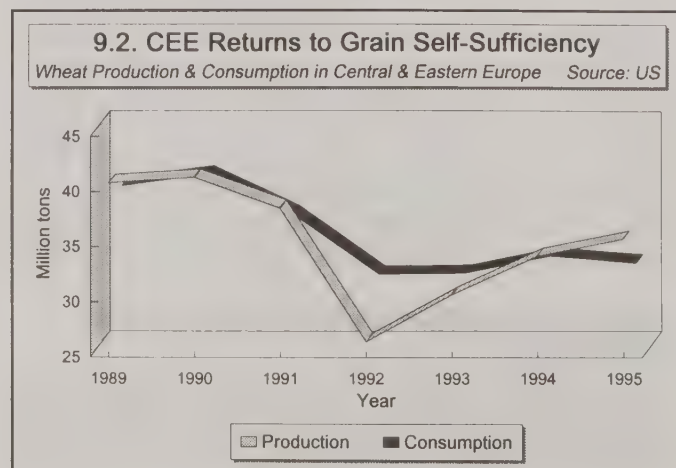
**Good Weather and Better Yields Drive CEE Grain Production**

The grain harvest for the six CEE's is expected to reach 87 million tons in 1995/96. Production is up in every country except Bulgaria. Total area is not much changed from the previous year; the production increase is due almost entirely to better yields. The yield increases are mainly the result of better weather—input use is still down substantially from that of the 1980's.

The six CEE's are projected to have a net exportable surplus of over 5 million tons in 1995/96, but actual exports could be smaller (figure 9.2). With world wheat prices greater than \$150 per ton, markets should be available for as much as these countries can export. However, the movement of exports out of these countries is severely constrained by inadequate port facilities, high transport costs, and generally poor infrastructure. Hungary, for example, being land locked, is dependent on the ports of Rijeka, Croatia and Constanza, Romania to ship grain. Railcars carrying grain to Rijeka have been held up because of continuing hostilities in the former Yugoslavia. The grain that Hungary can ship through Constanza is limited by Romanian grain exports.

Agricultural authorities in many CEE's were taken off guard by the sudden surge in world wheat prices. Romania actually benefited from this unexpected development. The Ministry had set a minimum price that was well above world levels. The price stimulus and good weather resulted in a substantial surplus, which the state grain company, Romcereal, was forced to hold at considerable cost. The cost of this wheat was so high that the Romanians anticipated difficulties in exporting it without subsidies. With the recent rise in wheat prices, the Romanians have now found markets for much of their surplus wheat.

But in other countries the failure to anticipate the surge in world prices, plus the miscalculation of domestic supplies, have caused some chaos in domestic markets and prompted officials to restrict grain exports. In Bulgaria, despite an export tax of \$55 per ton, wheat exports began to flow out at such a rate (reaching 550,000 tons or more between July and October) that authorities once again became frightened of a domestic shortage. Consequently, on October 6, 1995, the government imposed a new ban on grain exports (the previous ban was in effect from March 1993 to December 1994.)





The Hungarian government has also temporarily suspended wheat exports following a downward revision in the official estimate of the 1995 wheat crop. Following the announcement of the reduced estimate, traders rushed to purchase supplies to fill export contracts, and officials began to fear a domestic shortage. In both countries, and in other CEE's as well, world prices are still not fully transmitted to the domestic market. At the beginning of the marketing year domestic prices in many CEE's were close to world levels, but the rapid surge in world prices left domestic prices considerably below world levels, creating opportunities for huge profits among exporters.

Available information suggests a small increase in 1995 fall plantings of wheat in Bulgaria, Hungary, Romania, and Poland, as producers have been encouraged by the current high world prices. However, reports suggest a shortage of high quality seed in Bulgaria and Hungary, and some sowing in Bulgaria has been later than optimal. Thus, potential increases in wheat area may be constrained.

### ***Larger Sunflower and Rapeseed Crops Offset Declining Soybean Production***

The three major oilseeds grown in the CEE's are soybeans, sunflowerseed, and rapeseed. Rapeseed is grown mainly in Poland, the Czech Republic, and Slovakia. Sunflowerseed production is largest in Bulgaria, Romania, and Hungary, while in the past most soybeans came from Romania and Yugoslavia. The region has always been a net importer of oilseeds and meals.

In 1995/96 production of sunflowerseed and rapeseed was up considerably from the previous year. All three major producers saw increases in sunflowerseed output. Bulgaria's production reached 650,000 tons, up from 550,000 tons last year, and exports are expected to reach 220,000 tons, despite an export tax of \$200 per ton. Romania's production reached 945,000 tons, up from 767,000, while Hungary's production rose from 650,000 tons to 800,000. All three countries will realize substantial increases in exports of both seed and oil this year.

Soybean production in recent years has been less than half the level of the 1980's and rose only slightly in 1995. In the past the only two significant producers of soybeans, Romania and Yugoslavia, each produced about 300,000 tons per year. Since the transition, soybean production has plummeted in all countries, but for different reasons. In Yugoslavia, the decline was due to the civil war, and production can be expected to recover in Serbia and Croatia once the war ends. However, Romania and Bulgaria never had very good growing conditions. Yields were barely 1 ton per hectare, and soybeans were cultivated only because the central planners said they should be. With the demise of central planning, growers have lost interest in cultivating soybeans, and it is unlikely that this will change.

### ***Livestock Inventories Continue To Decline***

The rapid decline in animal inventories that has occurred since the transition is finally showing signs of turning around. This is particularly true of hogs and poultry, less true of cattle.

Hog numbers have risen significantly in Poland and Romania and are likely to stabilize in Hungary by early 1996. Poultry numbers are beginning to rise in many countries. The two basic reasons for this short term recovery are:

- 1) More plentiful grain supplies mean lower domestic grain prices and lower feed costs, and hog and poultry producers have responded quickly.
- 2) Throughout the transition period, the number of animals in the private sector has steadily increased. Until now, the steep contraction of the state sector has meant a net decline in livestock numbers. However, by now a significant majority of the animals are in private hands, and private herds are generally increasing at a fast enough rate to compensate for continuing declines in the state sector.

The hog sectors of the CEE's have responded most rapidly to this situation. Hog numbers were up in 1995 in Poland and Romania and are projected to rise further by January 1996. They are expected to stabilize in Hungary. In Bulgaria, however, hog numbers continue to decline precipitously, falling 16 percent from January 1994 to January 1995, and are likely to fall by a similar amount by January 1996. The reason is that, in contrast to many CEE's, most hogs in Bulgaria are still kept on state-owned livestock complexes. Many of these complexes are highly indebted and cannot afford proper feed, medicines, or other inputs. The Ministry of Agriculture announced in 1993 an aggressive campaign to privatize the state enterprises under its control, but progress has been very limited. The main problem is a lack of interest among potential purchasers of these enterprises.

In 1996 cattle numbers are expected to stabilize in Poland and Romania, but continue to decline in other countries. Cattle throughout the region are dual purpose, and decisions to expand or draw down herds are driven mainly by supply and demand in the dairy market. Beef is largely a byproduct. The dairy sector is still adjusting to market conditions. Dairy plants, still largely state-owned, are technologically out of date and are often ill-suited to purchasing from thousands of small-scale private milk producers. The high production costs of these plants force them to offer low purchase prices to producers. Thus, producers seek other channels for marketing their milk, and in some countries 60 percent or more of the milk is sold through private channels with very little quality control.

### ***U.S. Exports to CEE's Still Down; Long Term Improvements Expected***

U.S. exports to the CEE's during fiscal 1995 reached \$306 million, down slightly from the previous year, but still well below levels of the late 1980's. Exports of oilseeds and oilseed products grew, but trade in grain and animal products declined. Exports are projected to rise to \$400 million in fiscal 1996. However, significant long-term increases in U.S. exports will depend on developing new markets for high-value products and negotiating more favorable tariff treatment for some of the more promising high-valued exports.



Roughly one-third of U.S. exports in the last 2 years has been animal products. Of that, slightly over half has been poultry meat—mainly leg quarters. Leg quarters have a comparative advantage because of their low cost, and because Central Europeans prefer dark meat. But in 1995 poultry meat exports have been adversely affected by high import barriers put in place by Poland and Romania. Poland imposed a variable levy, while Romania set a minimum import price that made U.S. poultry prohibitively expensive on the domestic market. In compliance with their Uruguay Round commitments, both countries have replaced these barriers with tariffs, but the tariffs are currently very high.

U.S. grain exports in fiscal 1995 were down about a third from the previous year and are likely to remain at that low level in fiscal 1996 due to the improved CEE grain harvest. Exports of wheat flour will continue as food aid to the former Yugoslav Republics, but commercial sales of wheat will be minimal, the primary customers being Poland and the former Yugoslavia. Poland is expected to import about 200,000 tons of corn.

Fiscal 1995 U.S. exports of oilseeds and oilmeal were almost twice those of a year earlier. The largest customers of U.S. soybean meal were the Czech and Slovak Republics, which together imported 63,000 tons between October and August of fiscal 1995. Other customers were Hungary and the former Yugoslav Republics. Two thirds of U.S. soybean exports went to Romania, with most of the remainder going to the former Yugoslav Republics. Exports of both soybeans and soybean meal are expected to increase during fiscal 1996 due to increased hog and poultry numbers in the region. These exports should continue to grow in coming years, as the livestock sectors in these countries begin to recover.

### **Looking to the Future**

It is significant that CEE agriculture enjoyed a good year even though the transition to a fully functioning market economy is not complete. One can only conclude that when expected productivity gains are eventually realized, the region has the potential to generate large surpluses of raw agricultural products, especially grains and livestock products. This longer-term outlook has significant implications both for the region's eventual integration into the EU and for the future of U.S.

trade with the region. Additional output of products already in surplus in the EU will intensify pressure for CAP reform. The United States will no longer be able to count on the CEE's as markets for bulk agricultural products and will need to seek out markets for new products in the region.

During the 1980's the United States shipped large amounts of grain and oilseeds to the CEE's to support an overextended livestock sector. Demand for these products has plummeted with the downward adjustment in livestock numbers and reduced consumer demand for meat. While CEE livestock sectors should see some recovery in the coming decade, they are unlikely to soon return to levels of the 1980's. The smaller livestock sector, improved feeding efficiency, and increased domestic grain production mean a permanent contraction of the market for U.S. grain. Exports of oilseeds and products should rise slowly throughout the decade, but may not exceed the levels of the late 1980's.

U.S. poultry meat exports have the potential to expand if more favorable tariff treatment can be negotiated. Exports of cotton and cattle hides could expand if the region's textile and leather goods industries recover. The biggest unknown, however, is whether the United States can capture part of the expanding market for consumer-ready processed foods. With the rise in consumer income, increased demand for these products is already evident. This demand will certainly rise further, but the United States will need to compete with Western Europe and, eventually, domestic food processors for this market.

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## Glossary of Terms

**Arable base area.** The total area eligible to receive compensatory payments, equal to the average of area planted to grains, oilseeds, or protein crops in 1989, 1990, and 1991, plus land enrolled in either the 5- or 1-year set-aside program during those years. Exceeding the arable base area results in penalties in the form of a reduction in farmers' eligible acreage and an additional, uncompensated set-aside in the following year.

**Arable crops regime.** The CAP program that covers cereals (excluding rice), oilseeds (rapeseed, sunflowerseed, soybeans, and linseed), and protein crops (field peas, beans, and sweet lupins). Support is provided through a combination of intervention purchases (grains) and per-hectare payments to producers.

**Association Agreement.** An agreement between the EU and a non-member country that conveys associate status on the non-member country. These agreements, like those between the EU and several CEE countries, generally offer bilateral trade concessions in the form of tariff reductions or import quotas. Association agreements are seen as the first step toward eventual EU membership.

**Blair House Agreement.** An agreement reached between the United States and the European Union in 1992 on the negotiations on agriculture in the Uruguay Round. The agreement also included changes to the EU oilseed regime that resolved a bilateral dispute over EU oilseed subsidies.

**Central and Eastern European (CEE) countries.** CEE countries are: Albania, Bulgaria, Czech Republic, Slovak Republic, Hungary, Poland, Romania, and the former Yugoslav republics (Bosnia-Herzegovina, Croatia, Macedonia, Serbia-Montenegro, and Slovenia).

**Common Agricultural Policy (CAP).** The unified farm policy applied by EU members. The CAP deals with agricultural prices, structural improvements to agriculture, and internal and external agricultural trade. In 1993, a series of changes to the support regimes for arable crops, dairy, beef, sheepmeat, and tobacco were adopted that are referred to as CAP Reform.

**Compensatory payments.** Per-hectare payments made to producers of arable crops to compensate for the loss of income caused by the reduction of support prices.

**Council of Ministers.** A governing body of the European Union, consisting of ministers from each of the EU member countries for the policy area in question. The Council of Agricultural Ministers has the final say on agricultural policy for the EU.

**European Commission.** The administrative body of the European Union, responsible for implementing EU regulations. In agriculture, the Commission has responsibility for administering commodity market organizations through the market management committees.

**European Free Trade Area (EFTA).** A free trade area for industrial goods formed in 1960. Current EFTA members are Iceland, Norway, Switzerland, and Liechtenstein.

**European Union (EU).** An economic customs union with 15 member countries (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom). Austria, Finland, and Sweden are the newest members, having joined the EU in 1995.

**General Agreement on Tariffs and Trade (GATT).** An agreement negotiated among countries to increase international trade by reducing tariffs and other trade barriers. In 1995, 115 countries were contracting parties to the GATT. The name also refers to the organization located in Geneva that administered the agreement and provided a forum for trade negotiations and settlement of trade disputes. That organization has been superseded by the World Trade Organization.

**Intervention.** The EU supports the price of several commodities (including grains, beef, and dairy products) by purchasing commodities at a fixed, or intervention, price and holding them for later sale on the domestic or export market. These sales are referred to as intervention purchases, and the stocks that are amassed as a result are intervention stocks.

**Rotational and non-rotational set-aside.** Rotational set-aside requires that land set aside be rotated as a way of ensuring that set-aside is not concentrated on the least productive land. Prior to 1996/97, farmers could opt for non-rotational set-aside, but had to set aside a higher percentage of their land (17 percent compared to 12 percent for rotational set-aside in 1995/96). Rotational and non-rotational set-aside rates were unified at 10 percent for marketing year 1996/97.

**Set-aside.** A mechanism for limiting supply by removing agricultural land from production. In the EU, large producers must set aside part of their arable crops area in order to qualify for compensatory payments. Producers receive a payment, called the set-aside premium, for each hectare set aside. The set-aside rate is set by the Agricultural Council.

**Uruguay Round:** The round of multilateral trade negotiations from 1986 to 1993 that was initiated with an agreement among GATT contracting parties at Punta Del Este, Uruguay. The Uruguay Round targeted "new areas," including agriculture, services, and intellectual property, for more comprehensive treatment than in past rounds. The Uruguay Round was concluded with the signing of the Uruguay Round Agreement in December 1993.

**World Trade Organization (WTO).** An organization, established during the Uruguay Round of multilateral negotiations, that includes the GATT structure and extends it to new areas, like agriculture, not adequately covered in the past. WTO's functions are similar to those of the GATT.



Appendix table 1: EU agricultural spending by commodity and economic type

	1987 1/	1988 2/	1989 3/	1990 3/	1991 3/	1992 3/	1993 4/	1994 5/	1995 5/
	(Million ECU)								
Grains 6/	4 237	4 337	3 262	3 885	5 189	5 544	6 630	8 210	9 780
Export refunds	3 166	2 986	2 642	2 473	3 679	3 231	2 848	1 749	1 301
Intervention	1 071	1 352	619	1 412	1 510	2 313	3 782	6 461	8 479
Sugar	2 036	2 082	1 980	1 389	1 815	1 937	2 189	2 170	1 947
Export refunds	1 516	1 566	1 451	926	1 251	1 306	1 531	1 463	1 399
Intervention	520	516	529	462	564	632	657	707	548
Oils and fats	3 827	3 917	4 138	4 645	5 424	5 886	6 092	4 734	3 275
Export refunds	87	89	99	136	112	48	69	71	73
Intervention	3 739	3 828	4 039	4 509	5 312	5 838	6 023	4 663	3 202
Dairy	5 013	5 915	4 987	4 956	5 637	4 007	5 211	4 344	4 059
Export refunds	2 258	3 014	2 869	1 931	2 249	2 056	2 288	1 972	1 942
Intervention	2 755	2 901	2 118	3 025	3 388	1 951	2 924	2 372	2 117
Meat, poultry, and eggs	3 033	4 179	4 376	4 711	6 507	6 504	6 413	6 471	6 963
Export refunds	1 141	1 135	1 776	1 463	1 651	1 537	2 196	1 455	1 583
Intervention	1 892	3 044	2 600	3 248	4 856	4 967	4 218	5 016	5 380
Fruit and vegetables	967	708	1 019	1 253	1 107	1 262	1 664	1 665	1 793
Export refunds	67	65	79	81	95	117	187	171	166
Intervention	900	644	940	1 172	1 012	1 145	1 477	1 494	1 627
Other products 7/	3 150	4 364	4 190	4 012	4 657	4 988	5 025	4 980	5 094
Export refunds	654	689	659	628	825	836	881	768	626
Intervention	2 496	3 675	3 531	3 384	3 832	4 152	4 144	4 212	4 468
Total market organization	22 262	25 503	23 951	24 850	30 334	30 128	33 223	32 573	32 910
Monetary support	655	570	364	308	159	29	144	3	0
Other compensation	259	346	314	292	855	848	1 173	1 083	2 389
Depreciation of stocks	0	1 240	1 443	1 361	797	--	--	--	--
Set-aside	0	0	3	21	77	286	329	1 675	2 105
Clearance of accounts	(208)	29	(203)	(378)	(438)	79	(385)	(574)	(527)
Carryover from previous year					602	--	--	--	--
Guarantee section, total	22 968	27 687	25 873	26 454	32 386	31 369	34 484	34 759	36 877
Guidance section, total 8/	909	1 203	1 434	1 974	2 306	2 983	3 384	3 762	0
Total agricultural spending	23 877	28 890	27 307	28 428	34 692	34 353	37 868	38 521	36 877
Exchange rate (\$/ECU) 9/	1.15	1.18	1.10	1.27	1.24	1.30	1.17	1.20	1.29
Total agricultural spending (Million \$)	27 804	34 128	30 084	36 189	43 035	44 659	44 305	46 225	47 571

Totals may not add in some cases due to rounding.

1/ Charged against 1987 budget (Jan. 1, 1987 to Oct. 31, 1987); remainder of year budgeted against 1988.

2/ Charged against 1988 budget (Nov. 1, 1987 to Oct. 15, 1988); remainder of year budgeted against 1989.

3/ Expenditure charged against budget based on fiscal year. For example, 1989 budget refers to period from

4/ Budget outruns for 1993. Last revision December 31, 1994.

5/ Budget appropriations for 1994 and 1995, Dec. 31, 1994. Adjustments for 1994/95 price package not included.

6/ Includes rice.

7/ Includes protein crops, textile crops, hops and seeds, wine, tobacco, fisheries, and refunds for non-Annex II products.

8/ Supports development of agricultural marketing structures.

9/ 1995 figure is a projection.

Source: European Commission.



**Appendix table 2: EU agricultural policy prices, 1991/92-1995/96**

Product 1/	Type of price	1991/92	1992/93	1993/94 (ECU/mt)	1994/95	1995/96 2/
Common wheat 3/	target	233.26	226.47	128.32	118.45	131.11
	intervention (bread)	168.55	163.49	115.48	106.60	119.19
	intervention (bread), Portugal	210.80	---	---	---	---
	intervention (feed)	160.13	155.33	---	---	---
	intervention (feed), Portugal	200.26	---	---	---	---
	threshold 4/	228.67	221.68	172.74	162.87	---
Durum wheat 3/	target	277.21	269.10	128.32	118.45	131.11
	intervention	227.70	220.87	115.48	106.60	119.19
	intervention, Spain	216.48	---	---	---	---
	aid/ha	181.88	181.88	297.00	297.00	297.00
	aid/ha, Spain	146.34	---	---	---	---
	threshold 4/	272.62	264.31	172.74	162.87	---
Cereals 5/ (barley, corn, rye, sorghum)	target	212.33	206.16	128.32	118.45	131.11
	intervention	160.13	155.33	115.48	106.60	119.19
	threshold 4/	207.42	201.37	172.74	162.87	---
Rice 3/	target (husked)	546.13	545.52	537.54	530.60	n/a
	intervention (paddy)	313.65	313.65	313.65	309.60	373.84
	intervention (paddy), Portugal	338.39	332.21	---	---	---
Sugar beet 3/ (ECU/100kg)	basic	40.00	40.00	40.00	39.48	47.67
	basic, Spain	46.84	41.82	---	---	---
	basic, Portugal	42.83	41.57	---	---	---
	'A' quota	39.20	39.20	39.20	38.69	46.72
	'A' quota, Spain	46.04	41.02	---	---	---
	'A' quota, Portugal	42.03	---	---	---	---
	'B' quota	24.20	24.20	27.20	26.85	28.84
	'B' quota, Spain	31.04	29.02	---	---	---
	'B' quota, Portugal	27.03	---	---	---	---
	intervention	439.40	439.40	439.40	433.70	523.70
Raw sugar	threshold 4/	546.00	546.00	546.00	539.90	---
White sugar 3/	target	557.90	557.90	557.90	551.70	665.00
	intervention	530.10	530.10	530.10	523.30	631.90
	intervention, Spain	612.90	595.70	544.10	537.30	648.80
	intervention, Portugal	533.50	542.22	542.20	535.40	646.50
	intervention, Italy	549.50	530.10	549.50	532.70	655.30
	intervention, UK/Ireland	542.20	530.10	542.20	535.40	646.50
	intervention, Finland	---	---	---	---	646.50
	threshold 4/	639.00	639.00	639.00	631.80	---
Olive oil 3/	production target	3 220.10	3 211.60	3 211.60	3 178.20	3 837.70
	intervention	2 158.70	2 018.40	1 968.40	1 624.00	1 919.20
	intervention, Spain	1 853.10	---	---	---	---
	intervention, Portugal	2 096.50	1 979.60	1 946.40	---	---
	production aid	708.30	841.10	891.10	1 177.60	1 422.00
	production aid, Spain	458.50	554.20	666.50	1 068.40	---
	production aid, Portugal	425.30	529.30	649.90	---	---
Dried fodder 3/	guide	178.61	178.61	178.61	176.29	n/a
	guide, Spain	174.30	---	---	---	---
Dairy 3/	milk target	268.10	268.10	260.60	255.00	309.80
	butter intervention	2 927.80	2 927.80	2 803.00	2 715.00	3 282.00
	butter intervention, Spain	3 024.90	---	---	---	---
	SMP intervention	1 724.30	1 724.30	1 702.00	1 702.00	2 055.20
	SMP intervention, Spain	2 026.70	---	---	---	---
	SMP intervention, Portugal	2 100.00	2 070.00	---	---	---
Beef and veal (adult cattle)	guide (liveweight)	2 000.00	2 000.00	2 000.00	1 974.20	2 383.90
	intervention (carcass weight)	3 430.00	3 430.00	3 216.00	3 047.00	3 475.00
Sheepmeat 3/	basic (slaughter weight)	4 229.50	4 229.50	4 185.30	4 174.50	5 040.70
	adjusted basic	3 979.96	3 933.40	3 892.32	---	---
	adjusted basic, UK	3 933.44	---	---	---	---
Pigmeat	basic (slaughter weight)	1 897.00	1 897.00	1 897.00	1 300.00	1 509.39
Cotton	guide	958.60	1 027.90	1 027.90	1 014.60	n/a
	minimum	910.70	976.50	976.50	963.90	n/a
Table wine 6/ (guide price)	RI (ECU/degree hl)	3.21	3.21	3.21	3.17	3.83
	RII (ECU/degree hl)	3.21	3.21	3.21	3.17	3.83
	RIII (ECU/degree hl)	52.14	52.14	52.14	51.47	62.15
	AI (ECU/degree hl)	3.21	3.21	3.21	3.17	3.83
	AII (ECU/degree hl)	69.48	69.48	69.48	68.58	82.81
	AIII (ECU/degree hl)	79.35	79.35	79.35	78.32	94.57

n/a = not available

1/ EU price regimes for oilseeds were abolished in 1992/93, and for peas, beans, and lupins in 1993/94; world prices now apply.

2/ 1995/96 values are those applicable following the abolition of the switchover coefficient.

3/ Dashes (---) indicate that the national price has been abolished and the EU price now applies.

4/ Threshold prices are not being applied in 1995/96 because they have been overtaken by the tariffication provisions of the Uruguay Round trade agreement.

5/ Prior to CAP reform, different prices were applied to different cereals; the starting price level for the cereal sector reforms was the 1991/92 average intervention buying-in price, which the European Commission calculated to be 155 ECU/ton. Common wheat and durum wheat are listed separately because these prices differed until 1993/94.

6/ Spanish wine prices for 1991/92 as follows: RI, RII, AI: 3.01, RIII: 48.81, AII: 65.04, AIII: 74.28. EU prices apply from 1992/93.

Source: Agra Europe, CAP Monitor.

**Appendix table 3: Supply and use of wheat in Europe, 1993-95**

Country	Year	Area 1,000 ha	Yield Tons/ha	Production	Beg. stocks	Imports	Exports 1,000 tons	Feed use	Non-feed use	Consumption	Ending stocks
Austria	1993	241	4.22	1 018	194	20	209	241	570	811	212
	1994	241	5.21	1 255	212	20	340	325	630	955	192
	1995	250	5.00	1 250	192	20	340	320	630	950	172
Belgium-Lux.	1993	212	7.13	1 512	259	1 644	1 282	770	1 192	1 962	171
	1994	215	6.93	1 490	171	2 406	1 650	800	1 451	2 251	166
	1995	220	7.05	1 550	166	2 000	1 650	700	1 200	1 900	166
Denmark	1993	622	6.97	4 334	1 012	263	866	2 000	1 370	3 370	1 373
	1994	570	6.49	3 700	1 373	127	1 369	2 100	600	2 700	1 131
	1995	610	7.30	4 450	1 131	100	1 935	2 000	600	2 600	1 146
Finland	1993	100	3.60	360	500	25	50	80	305	385	450
	1994	89	3.79	337	450	65	25	80	315	395	432
	1995	100	3.00	300	432	25	25	80	345	425	307
France	1993	4 515	6.48	29 253	8 600	992	19 400	7 900	6 145	14 045	5 400
	1994	4 627	6.68	30 901	5 400	425	16 850	9 800	6 676	16 476	3 400
	1995	4 750	6.53	31 000	3 400	500	16 000	10 000	6 500	16 500	2 400
Germany	1993	2 395	6.58	15 767	8 382	1 512	5 347	7 600	6 988	14 588	4 699
	1994	2 440	6.75	16 480	4 699	1 400	4 685	8 200	7 000	15 200	2 694
	1995	2 600	6.85	17 800	2 694	1 100	4 750	7 800	7 300	15 100	1 744
Greece	1993	790	1.52	1 200	697	481	776	100	1 115	1 215	387
	1994	810	2.59	2 100	387	500	380	100	1 500	1 600	1 007
	1995	700	2.43	1 700	1 007	450	900	100	1 500	1 600	657
Ireland	1993	77	6.27	483	80	442	89	426	470	896	20
	1994	72	7.08	510	20	280	50	384	356	740	20
	1995	64	7.27	465	20	325	50	380	360	740	20
Italy	1993	2 300	3.41	7 851	3 184	5 115	2 706	2 000	10 117	12 117	1 327
	1994	2 288	3.41	7 800	1 327	5 182	2 336	1 250	9 946	11 196	777
	1995	2 350	3.40	8 000	777	5 100	2 200	1 300	9 600	10 900	777
Netherlands	1993	120	8.63	1 035	108	1 649	714	200	1 755	1 955	123
	1994	120	8.63	1 035	123	2 400	560	900	1 900	2 800	198
	1995	125	8.40	1 050	198	2 350	600	900	1 900	2 800	198
Portugal	1993	250	1.92	480	270	980	28	200	1 342	1 542	160
	1994	240	1.96	470	160	800	20	305	895	1 200	210
	1995	220	1.14	250	210	800	0	285	865	1 150	110
Spain	1993	2 035	2.46	5 000	240	2 211	942	2 400	3 989	6 389	120
	1994	1 995	2.16	4 311	120	2 200	1 000	1 500	4 000	5 500	131
	1995	1 700	1.47	2 500	131	4 300	600	2 500	3 700	6 200	131
Sweden	1993	290	6.02	1 746	300	50	250	800	671	1 471	375
	1994	260	5.38	1 400	375	50	200	750	675	1 425	200
	1995	260	6.15	1 600	200	50	200	750	700	1 450	200
United Kingdom	1993	1 795	7.18	12 890	1 308	2 035	3 372	5 620	5 833	11 453	1 408
	1994	1 811	7.35	13 315	1 408	1 500	3 130	5 700	5 535	11 235	1 858
	1995	1 900	7.37	14 000	1 858	900	3 500	5 800	5 600	11 400	1 858
EU-15	1993	15 742	5.27	82 929	25 134	17 419	36 031	30 337	41 862	72 199	16 225
	1994	15 778	5.39	85 104	16 225	17 355	32 595	32 194	41 479	73 673	12 416
	1995	15 849	5.42	85 915	12 416	18 020	32 750	32 915	40 800	73 715	9 886
Norway	1993	60	5.42	325	335	210	---	80	440	520	350
	1994	75	3.07	230	350	200	---	80	445	525	255
	1995	75	5.00	375	255	200	---	80	445	525	305
Switzerland	1993	101	5.60	566	475	150	---	250	561	811	380
	1994	104	5.34	555	380	175	---	250	560	810	300
	1995	105	5.38	565	300	150	---	250	565	815	200
Bulgaria	1993	1 270	2.85	3 618	295	100	---	1 100	2 438	3 538	475
	1994	1 320	2.88	3 800	475	50	650	1 100	2 300	3 400	275
	1995	1 000	3.20	3 200	275	50	---	1 000	2 300	3 300	225
Czech Rep.	1993	790	4.27	3 370	803	129	---	1 800	1 400	3 200	1 102
	1994	825	4.67	3 850	1 102	---	500	1 800	1 500	3 300	1 152
	1995	850	4.47	3 800	1 152	---	500	1 800	1 700	3 500	952
Hungary	1993	990	3.05	3 020	1 340	100	100	2 000	1 731	3 731	629
	1994	1 000	4.50	4 500	629	---	800	2 000	1 700	3 700	629
	1995	1 100	4.18	4 600	629	---	1 200	2 000	1 600	3 600	429
Poland	1993	2 500	3.30	8 242	300	550	150	2 900	5 042	7 942	1 000
	1994	2 400	3.19	7 660	1 000	500	100	3 600	5 060	8 660	400
	1995	2 400	3.58	8 600	400	100	200	3 100	5 250	8 350	550
Romania	1993	2 300	2.30	5 300	50	248	---	1 500	3 298	4 798	800
	1994	2 400	2.58	6 200	800	5	---	1 900	3 405	5 305	1 700
	1995	2 400	3.25	7 800	1 700	---	2 000	2 000	3 500	5 500	2 000
Slovakia	1993	390	3.92	1 530	416	200	40	1 055	725	1 780	326
	1994	440	4.86	2 140	326	30	40	1 162	878	2 040	416
	1995	445	4.72	2 100	416	---	60	1 150	800	1 950	506
<b>TOTAL</b>	1993	24 143	4.51	108 900	29 148	19 106	36 321	41 022	57 497	98 519	21 287
<b>EUROPE</b>	1994	24 342	4.68	114 039	21 287	18 315	34 685	44 086	57 327	101 413	17 543
	1995	24 224	4.83	116 955	17 543	18 520	36 710	44 295	56 960	101 255	15 053

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 value are July 1995 forecasts. Import/export data include intra-EU trade.



**Appendix table 4: Supply and use of corn in Europe, 1993-95**

Country	Year	Area	Yield	Production	Beg. stocks	Imports	Exports	Feed use	Non-feed use	Consumption	Ending stocks
		1,000 ha	Tons/ha				1,000 tons				
Austria	1993	170	8.96	1 524	90	15	97	1 260	182	1 442	90
	1994	179	7.94	1 421	90	15	100	1 210	146	1 356	70
	1995	175	8.00	1 400	70	15	50	1 200	165	1 365	70
Belgium-Lux.	1993	19	8.63	164	0	1 362	41	700	720	1 420	65
	1994	26	7.85	204	65	1 400	20	800	700	1 500	149
	1995	25	9.20	230	149	900	20	650	550	1 200	59
Denmark	1993	0	0.00	0	0	98	0	60	38	98	0
	1994	0	0.00	0	0	75	0	55	20	75	0
	1995	0	0.00	0	0	85	0	65	20	85	0
Finland	1993	0	0.00	0	0	0	0	0	0	0	0
	1994	0	0.00	0	0	0	0	0	0	0	0
	1995	0	0.00	0	0	0	0	0	0	0	0
France	1993	1 848	8.03	14 843	3 880	211	9 448	5 500	1 500	7 000	2 486
	1994	1 637	7.72	12 640	2 486	174	6 440	4 920	2 280	7 200	1 660
	1995	1 670	7.78	13 000	1 660	200	7 000	5 000	2 000	7 000	860
Germany	1993	331	8.02	2 656	475	1 127	268	1 953	1 399	3 352	638
	1994	340	7.12	2 420	638	800	300	2 000	1 150	3 150	408
	1995	350	6.71	2 350	408	1 000	300	2 000	1 150	3 150	358
Greece	1993	100	9.00	900	0	350	30	1 150	70	1 220	0
	1994	120	10.00	1 200	0	250	140	1 250	60	1 310	0
	1995	120	10.00	1 200	0	250	130	1 250	70	1 320	0
Ireland	1993	0	0.00	0	0	45	0	0	45	45	0
	1994	0	0.00	0	0	70	0	0	70	70	0
	1995	0	0.00	0	0	50	0	0	50	50	0
Italy	1993	927	8.66	8 029	250	434	55	7 300	1 008	8 308	350
	1994	910	8.22	7 483	350	500	30	7 100	953	8 053	250
	1995	940	8.51	8 000	250	400	50	7 300	1 000	8 300	300
Netherlands	1993	5	19.00	95	0	1 635	30	675	1 025	1 700	0
	1994	12	8.33	100	0	1 630	30	650	1 050	1 700	0
	1995	10	10.00	100	0	1 700	30	700	1 070	1 770	0
Portugal	1993	110	5.16	568	160	1 014	6	1 400	176	1 576	160
	1994	105	5.33	560	160	850	0	1 250	150	1 400	170
	1995	100	5.00	500	170	1 200	0	1 550	150	1 700	170
Spain	1993	274	6.20	1 698	82	2 782	0	3 580	882	4 462	100
	1994	342	6.63	2 269	100	3 000	0	4 100	969	5 069	300
	1995	300	6.67	2 000	300	2 500	0	3 800	900	4 700	100
Sweden	1993	3	3.33	10	0	0	0	10	0	10	0
	1994	3	3.33	10	0	0	0	10	0	10	0
	1995	3	3.33	10	0	0	0	10	0	10	0
United Kingdom	1993	0	0.00	0	0	1 616	15	235	1 366	1 601	0
	1994	0	0.00	0	0	1 400	10	235	1 155	1 390	0
	1995	0	0.00	0	0	1 600	10	240	1 350	1 590	0
EU-15	1993	3 787	8.05	30 487	4 937	10 689	9 990	23 823	8 411	32 234	3 889
	1994	3 674	7.70	28 307	3 889	10 164	7 070	23 580	8 703	32 283	3 007
	1995	3 693	7.80	28 790	3 007	9 900	7 590	23 765	8 475	32 240	1 917
Norway	1993	0	0.00	0	0	0	0	0	0	0	0
	1994	0	0.00	0	0	50	0	50	0	50	0
	1995	0	0.00	0	0	0	0	0	0	0	0
Switzerland	1993	26	8.08	210	100	20	0	215	15	230	100
	1994	30	8.67	260	100	20	0	250	20	270	110
	1995	25	9.20	230	110	30	0	250	20	270	100
Bulgaria	1993	615	1.59	980	0	48	0	900	128	1 028	0
	1994	500	3.40	1 700	0	0	0	1 400	300	1 700	0
	1995	400	3.25	1 300	0	0	0	1 000	300	1 300	0
Czech Rep.	1993	32	4.88	156	51	23	4	146	40	186	40
	1994	35	3.54	124	40	25	0	130	40	170	19
	1995	35	3.57	125	19	25	0	90	70	160	9
Hungary	1993	1 130	3.55	4 012	280	27	18	3 800	230	4 030	271
	1994	1 200	3.58	4 300	271	10	300	3 800	200	4 000	281
	1995	1 000	4.50	4 500	281	25	500	3 800	200	4 000	306
Poland	1993	55	5.27	290	293	150	0	490	82	572	161
	1994	50	4.00	200	161	200	0	365	96	461	100
	1995	55	4.55	250	100	200	0	360	90	450	100
Romania	1993	3 100	2.58	8 000	150	98	0	6 150	1 948	8 098	150
	1994	3 000	2.83	8 500	150	45	100	6 800	1 650	8 450	145
	1995	3 150	3.17	10 000	145	0	750	6 950	1 650	8 600	795
Slovakia	1993	148	4.55	674	165	2	3	550	110	660	178
	1994	127	4.49	570	178	0	25	525	73	598	125
	1995	170	4.00	680	125	0	25	550	105	655	125
TOTAL EUROPE	1993	8 893	5.04	44 809	5 976	11 057	10 015	36 074	10 964	47 038	4 789
	1994	8 616	5.10	43 961	4 789	10 514	7 495	36 900	11 082	47 982	3 787
	1995	8 528	5.38	45 875	3 787	10 180	8 865	36 765	10 910	47 675	3 352

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 value are July 1995 forecasts. Import/export data include intra-EU trade.

**Appendix table 5: Supply and use of barley in Europe, 1993-95**

Country	Year	Area 1,000 ha	Yield Tons/ha	Production	Beg. stocks	Imports	Exports 1,000 tons	Feed use	Non-feed use	Consumption	Ending stocks
Austria	1993	270	4.07	1 100	50	79	140	860	180	1 040	49
	1994	253	4.68	1 184	49	20	150	870	180	1 050	53
	1995	240	4.79	1 150	53	10	200	830	160	990	23
Belgium-Lux.	1993	80	5.74	459	174	1 333	530	507	778	1 285	151
	1994	72	5.65	407	151	1 450	650	500	723	1 223	135
	1995	70	6.00	420	135	1 350	600	500	725	1 225	80
Denmark	1993	713	4.73	3 369	414	218	498	2 835	426	3 261	242
	1994	700	4.94	3 460	242	30	600	2 500	400	2 900	232
	1995	760	5.53	4 200	232	100	800	2 900	500	3 400	332
Finland	1993	460	3.65	1 680	450	6	406	850	530	1 380	350
	1994	505	3.68	1 860	350	0	500	850	460	1 310	400
	1995	540	3.15	1 700	400	0	400	950	450	1 400	300
France	1993	1 623	5.53	8 981	2 100	75	4 646	3 700	1 666	5 366	1 144
	1994	1 404	5.47	7 675	1 144	50	3 100	3 500	1 669	5 169	600
	1995	1 350	5.78	7 800	600	50	3 000	3 100	1 900	5 000	450
Germany	1993	2 200	5.00	11 000	5 600	374	2 249	6 453	3 239	9 692	5 033
	1994	2 070	5.27	10 900	5 033	400	3 000	6 500	3 200	9 700	3 633
	1995	2 100	5.71	12 000	3 633	300	4 500	6 500	3 200	9 700	1 733
Greece	1993	135	2.81	380	29	111	5	470	11	481	34
	1994	160	2.94	470	34	90	0	500	15	515	79
	1995	155	2.90	450	79	100	0	500	50	550	79
Ireland	1993	177	4.87	862	300	10	80	667	206	873	219
	1994	167	4.81	803	219	25	80	668	208	876	91
	1995	175	5.57	975	91	10	100	670	220	890	86
Italy	1993	425	3.81	1 619	100	629	2	1 900	346	2 246	100
	1994	392	3.74	1 467	100	700	0	1 825	342	2 167	100
	1995	400	3.75	1 500	100	600	0	1 850	250	2 100	100
Netherlands	1993	40	6.25	250	370	900	125	650	325	975	420
	1994	44	5.45	240	420	950	130	700	350	1 050	430
	1995	40	6.25	250	430	900	140	720	390	1 110	330
Portugal	1993	62	1.74	108	50	118	0	200	41	241	35
	1994	62	1.71	106	35	130	0	200	46	246	25
	1995	45	0.67	30	25	200	0	200	35	235	20
Spain	1993	3 480	2.74	9 520	700	30	447	7 305	1 098	8 403	1 400
	1994	3 602	2.11	7 596	1 400	700	900	7 300	1 196	8 496	300
	1995	3 300	1.52	5 000	300	1 700	0	5 700	1 000	6 700	300
Sweden	1993	390	4.28	1 671	130	17	170	1 260	138	1 398	250
	1994	449	3.70	1 662	250	0	100	1 390	142	1 532	280
	1995	450	3.78	1 700	280	0	350	1 150	175	1 325	305
United Kingdom	1993	1 164	5.19	6 040	1 025	205	1 130	3 200	2 100	5 300	840
	1994	1 106	5.38	5 945	840	200	1 400	3 100	1 985	5 085	500
	1995	1 200	5.58	6 700	500	200	1 500	3 200	2 200	5 400	500
EU-15	1993	11 219	4.19	47 039	11 492	4 105	10 428	30 857	11 084	41 941	10 267
	1994	10 986	3.98	43 775	10 267	4 745	10 610	30 403	10 916	41 319	6 858
	1995	10 825	4.05	43 875	6 858	5 520	11 590	28 770	11 255	40 025	4 638
Norway	1993	170	3.62	615	419	53	0	550	57	607	480
	1994	170	2.94	500	480	200	0	675	50	725	455
	1995	170	3.53	600	455	25	0	650	50	700	380
Switzerland	1993	60	5.33	320	200	50	0	360	10	370	200
	1994	60	5.83	350	200	75	0	390	10	400	225
	1995	60	5.83	350	225	30	0	395	10	405	200
Bulgaria	1993	362	2.62	950	0	1 500	0	900	200	1 100	0
	1994	300	3.67	1 100	0	0	0	900	200	1 100	0
	1995	400	4.00	1 600	0	0	0	1 200	400	1 600	0
Czech Rep.	1993	650	3.85	2 500	342	269	0	2 000	650	2 650	461
	1994	680	3.80	2 582	461	0	0	1 975	650	2 625	418
	1995	690	3.91	2 700	418	0	100	2 000	650	2 650	368
Hungary	1993	390	2.90	1 130	350	226	25	1 200	331	1 531	150
	1994	420	3.76	1 580	150	4	0	1 110	404	1 514	220
	1995	400	3.50	1 400	220	0	100	1 000	400	1 400	120
Poland	1993	1 200	2.75	3 300	220	194	2	2 400	888	3 288	424
	1994	1 000	2.70	2 700	424	610	20	2 500	1 014	3 514	200
	1995	1 100	2.91	3 200	200	0	5	2 100	1 095	3 195	200
Romania	1993	640	2.42	1 550	100	957	0	2 000	307	2 307	300
	1994	760	2.11	1 600	300	25	0	1 600	225	1 825	100
	1995	600	3.00	1 800	100	0	0	1 650	150	1 800	100
Slovakia	1993	247	3.34	825	67	45	0	558	308	866	71
	1994	240	3.71	890	71	0	0	570	313	883	78
	1995	230	3.91	900	78	0	0	590	310	900	78
<b>TOTAL</b>	1993	14 938	3.90	58 229	13 190	7 399	10 455	40 825	13 835	54 660	12 353
<b>EUROPE</b>	1994	14 616	3.77	55 077	12 353	5 659	10 630	40 123	13 782	53 905	8 554
	1995	14 475	3.90	56 425	8 554	5 575	11 795	38 355	14 320	52 675	6 084

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 value are July 1995 forecasts. Import/export data include intra-EU trade.



**Appendix table 6: Supply and use of oats in Europe, 1993-95**

Country	Year	Area 1,000 ha	Yield Tons/ha	Production	Beg. stocks	Imports	Exports 1,000 tons	Feed use	Non-feed use	Consumption	Ending stocks
Austria	1993	50	3.80	190	40	4	0	155	39	194	40
	1994	49	3.51	172	40	0	0	145	37	182	30
	1995	45	3.56	160	30	0	0	135	35	170	20
Belgium-Lux.	1993	15	4.80	72	0	4	0	74	2	76	0
	1994	14	4.36	61	0	39	5	86	9	95	0
	1995	15	4.00	60	0	40	5	86	9	95	0
Denmark	1993	30	5.00	150	13	14	0	125	27	152	25
	1994	40	3.50	140	25	0	0	120	20	140	25
	1995	40	5.00	200	25	0	0	160	20	180	45
Finland	1993	330	3.64	1 200	308	0	484	550	249	799	225
	1994	334	3.44	1 150	225	0	500	600	150	750	125
	1995	340	3.24	1 100	125	0	400	550	175	725	100
France	1993	169	4.22	713	40	5	71	574	38	612	75
	1994	160	4.25	680	75	30	90	582	28	610	85
	1995	150	4.33	650	85	25	60	590	40	630	70
Germany	1993	359	4.82	1 731	230	19	5	1 286	301	1 587	388
	1994	400	4.16	1 663	388	80	12	1 400	350	1 750	369
	1995	325	4.92	1 600	369	50	12	1 350	300	1 650	357
Greece	1993	43	1.63	70	0	1	0	0	71	71	0
	1994	40	1.75	70	0	0	0	0	70	70	0
	1995	40	1.75	70	0	0	0	0	70	70	0
Ireland	1993	17	6.00	102	5	0	5	79	18	97	5
	1994	18	6.11	110	5	0	20	71	19	90	5
	1995	18	5.56	100	5	0	20	70	10	80	5
Italy	1993	144	2.58	372	40	51	0	383	40	423	40
	1994	145	2.55	370	40	50	0	380	40	420	40
	1995	140	2.57	360	40	40	0	360	40	400	40
Netherlands	1993	5	6.00	30	9	7	1	10	30	40	5
	1994	6	5.00	30	5	60	0	50	35	85	10
	1995	6	5.00	30	10	60	0	55	35	90	10
Portugal	1993	102	0.81	83	8	0	0	72	6	78	13
	1994	80	0.81	65	13	0	0	72	6	78	0
	1995	80	0.69	55	0	10	0	58	7	65	0
Spain	1993	330	1.21	400	0	17	21	370	26	396	0
	1994	346	1.16	402	0	10	40	340	32	372	0
	1995	270	0.74	200	0	25	0	200	25	225	0
Sweden	1993	300	4.32	1 295	135	0	364	870	51	921	145
	1994	324	3.06	991	145	0	220	725	81	806	110
	1995	280	3.93	1 100	110	0	200	725	85	810	200
United Kingdom	1993	92	5.22	480	40	8	17	230	241	471	40
	1994	110	5.45	600	40	5	50	310	250	560	35
	1995	110	5.45	600	35	5	40	310	250	560	40
<b>EU-15</b>	1993	1 986	3.47	6 888	868	130	968	4 778	1 139	5 917	1 001
	1994	2 066	3.15	6 504	1 001	274	937	4 881	1 127	6 008	834
	1995	1 859	3.38	6 285	834	255	737	4 649	1 101	5 750	887
Norway	1993	120	3.75	450	141	0	0	440	20	460	131
	1994	120	2.50	300	131	25	0	400	56	456	0
	1995	120	3.75	450	0	0	0	410	20	430	20
Switzerland	1993	11	5.27	58	117	53	0	60	53	113	115
	1994	10	5.50	55	115	55	0	60	50	110	115
	1995	10	5.50	55	115	50	0	60	55	115	105
Bulgaria	1993	20	1.50	30	0	0	0	15	15	30	0
	1994	30	1.67	50	0	0	0	35	15	50	0
	1995	30	1.67	50	0	0	0	35	15	50	0
Czech Rep.	1993	68	3.60	245	53	0	0	215	45	260	38
	1994	68	3.28	223	38	0	0	200	28	228	33
	1995	70	3.43	240	33	0	0	220	33	253	20
Hungary	1993	50	2.00	100	0	0	0	90	10	100	0
	1994	50	3.00	150	0	0	0	140	10	150	0
	1995	50	2.60	130	0	0	0	120	10	130	0
Poland	1993	642	2.34	1 500	40	10	50	1 200	260	1 460	40
	1994	620	2.00	1 240	40	0	0	950	290	1 240	40
	1995	600	2.58	1 550	40	0	0	1 200	300	1 500	90
Romania	1993	360	1.53	550	0	0	0	300	250	550	0
	1994	360	1.67	600	0	0	0	300	300	600	0
	1995	220	1.67	400	0	0	0	100	300	400	0
Slovakia	1993	13	2.62	34	11	0	0	22	13	35	10
	1994	14	2.36	33	10	0	0	25	13	38	5
	1995	15	3.33	50	5	0	0	22	25	47	8
<b>TOTAL EUROPE</b>	1993	3 270	3.01	9 855	1 230	193	1 018	7 120	1 805	8 925	1 335
	1994	3 338	2.74	9 155	1 335	354	937	6 991	1 889	8 880	1 027
	1995	2 974	3.10	9 210	1 027	305	737	6 816	1 859	8 675	1 130

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 value are July 1995 forecasts. Import/export data include intra-EU trade.

**Appendix table 7: Supply and use of total grains in Europe, 1993-95**

Country	Year	Area 1,000 ha	Yield Tons/ha	Production	Beg. stocks	Imports	Exports 1,000 tons	Feed use	Non-feed use	Consumption	Ending stocks
Austria	1993	821	5.12	4 202	439	158	496	2 676	1 181	3 857	446
	1994	821	5.40	4 436	446	85	640	2 715	1 207	3 922	405
	1995	814	5.37	4 374	405	85	640	2 659	1 215	3 874	350
Belgium-Lux.	1993	340	6.70	2 279	433	4 595	1 976	2 202	2 745	4 947	387
	1994	341	6.55	2 234	387	5 525	2 465	2 287	2 944	5 231	450
	1995	343	6.79	2 330	450	4 520	2 415	2 037	2 543	4 580	305
Denmark	1993	1 444	5.67	8 163	1 660	617	1 535	5 210	1 925	7 135	1 790
	1994	1 403	5.48	7 687	1 790	253	2 009	4 975	1 167	6 142	1 579
	1995	1 513	6.18	9 357	1 579	306	2 835	5 450	1 267	6 717	1 690
Finland	1993	922	3.62	3 336	1 462	39	975	1 521	1 179	2 700	1 162
	1994	948	3.59	3 407	1 162	65	1 025	1 565	1 025	2 590	1 019
	1995	1 005	3.16	3 180	1 019	25	825	1 615	1 045	2 660	739
France	1993	8 478	6.52	53 316	14 755	1 514	33 910	18 857	9 616	28 473	9 202
	1994	8 113	6.55	53 166	9 202	909	26 655	19 887	10 913	30 800	5 822
	1995	8 185	6.56	53 720	5 822	1 000	26 235	19 770	10 705	30 475	3 832
Germany	1993	6 222	5.71	35 543	16 402	3 301	8 519	19 658	13 556	33 214	13 513
	1994	6 240	5.82	35 313	13 513	2 960	9 637	20 350	13 355	33 705	9 444
	1995	6 550	6.11	40 050	9 444	2 740	11 802	20 550	13 560	34 110	6 322
Greece	1993	1 101	2.40	2 646	739	948	819	1 720	1 358	3 078	436
	1994	1 158	3.39	3 920	436	853	523	1 850	1 740	3 590	1 096
	1995	1 043	3.37	3 510	1 096	810	1 035	1 850	1 785	3 635	746
Ireland	1993	271	5.34	1 447	385	505	174	1 172	747	1 919	244
	1994	257	5.54	1 423	244	383	150	1 123	661	1 784	116
	1995	257	5.99	1 540	116	393	170	1 120	648	1 768	111
Italy	1993	4 066	4.66	18 929	3 645	6 327	3 303	11 854	11 850	23 704	1 894
	1994	4 023	4.52	18 200	1 894	6 507	2 946	10 820	11 616	22 436	1 219
	1995	4 113	4.60	18 940	1 219	6 215	2 790	11 075	11 225	22 300	1 284
Netherlands	1993	179	8.14	1 457	509	4 470	945	1 579	3 317	4 896	565
	1994	191	7.60	1 452	565	5 325	825	2 345	3 524	5 869	648
	1995	190	7.78	1 478	648	5 330	880	2 446	3 587	6 033	543
Portugal	1993	624	2.22	1 387	535	2 203	39	1 882	1 806	3 688	398
	1994	577	2.36	1 361	398	1 885	25	1 832	1 335	3 167	452
	1995	535	1.82	975	452	2 310	5	2 098	1 287	3 385	347
Spain	1993	6 387	2.69	17 208	1 110	5 512	1 513	14 276	6 369	20 645	1 672
	1994	6 582	2.31	15 225	1 672	6 560	2 005	14 044	6 584	20 628	824
	1995	5 840	1.75	10 240	824	9 245	670	13 020	6 005	19 025	614
Sweden	1993	1 093	4.81	5 252	675	67	827	3 270	987	4 257	910
	1994	1 136	3.90	4 428	910	50	550	309	3 804	4 113	725
	1995	1 093	4.38	4 790	725	50	760	2 865	1 085	3 950	855
United Kingdom	1993	3 059	6.36	19 450	2 373	4 153	4 534	9 307	9 847	19 154	2 288
	1994	3 040	6.55	19 920	2 288	3 405	4 590	9 380	9 250	18 630	2 393
	1995	3 223	6.63	21 365	2 393	3 005	5 050	9 590	9 725	19 315	2 398
<b>EU-15</b>	1993	35 007	4.99	174 615	45 122	34 409	59 565	95 184	66 483	161 667	34 907
	1994	34 830	4.94	172 172	34 907	34 765	54 045	93 482	69 125	162 607	26 192
	1995	34 704	5.07	175 849	26 192	36 034	56 112	96 145	65 682	161 827	20 136
Norway	1993	353	3.97	1 402	900	303	0	1 072	572	1 644	961
	1994	368	2.85	1 047	961	525	0	1 207	616	1 823	710
	1995	368	3.92	1 442	710	275	0	1 142	580	1 722	705
Switzerland	1993	210	5.72	1 202	942	333	0	885	769	1 654	823
	1994	219	5.80	1 270	823	385	0	950	766	1 716	762
	1995	215	5.81	1 250	762	325	0	955	765	1 720	617
Bulgaria	1993	2 286	2.46	5 614	2 985	303	0	2 915	2 822	5 737	475
	1994	2 166	3.08	6 681	475	55	650	3 435	2 851	6 286	275
	1995	1 846	3.35	6 181	275	60	0	3 235	3 056	6 291	225
Czech Rep.	1993	1 609	4.06	6 531	1 396	486	13	4 201	2 435	6 636	1 764
	1994	1 688	4.18	7 060	1 764	45	505	4 145	2 498	6 643	1 721
	1995	1 725	4.14	7 145	1 721	65	605	4 145	2 786	6 931	1 395
Hungary	1993	2 637	3.18	8 382	1 970	363	143	7 180	2 342	9 522	1 050
	1994	2 770	3.88	10 745	1 050	19	1 100	7 220	2 364	9 584	1 130
	1995	2 635	4.10	10 810	1 130	35	1 800	7 060	2 260	9 320	855
Poland	1993	8 537	2.75	23 482	1 037	956	212	13 690	9 098	22 788	2 475
	1994	8 410	2.59	21 800	2 475	1 352	120	15 045	9 422	24 467	1 040
	1995	8 550	2.94	25 100	1 040	340	305	14 960	9 675	24 635	1 540
Romania	1993	6 450	2.40	15 481	300	1 368	0	10 022	5 877	15 899	1 250
	1994	6 555	2.59	16 962	1 250	125	100	10 655	5 637	16 292	1 945
	1995	6 399	3.13	20 058	1 945	60	2 750	10 755	5 663	16 418	2 895
Slovakia	1993	821	3.81	3 132	737	257	84	2 245	1 189	3 434	608
	1994	852	4.38	3 733	608	35	110	2 320	1 302	3 622	644
	1995	885	4.31	3 810	644	10	105	2 357	1 270	3 627	732
<b>TOTAL EUROPE</b>	1993	57 910	4.14	239 841	55 389	38 778	60 017	137 394	91 587	228 981	44 313
	1994	57 858	4.17	241 470	44 313	37 306	56 630	138 459	94 581	233 040	34 419
	1995	57 327	4.39	251 645	34 419	37 204	61 677	140 754	91 737	232 491	29 100

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 value are July 1995 forecasts. Import/export data include intra-EU trade.



**Appendix table 8: Supply and use of rapeseed in Europe, 1993-95**

Country	Year	Area 1,000 ha	Yield Tons/ha	Production	Beg. stocks	Imports	Exports 1,000 tons	Total use	Amt crushed	Food use	Feed, seed, waste	Ending stocks
Austria	1993	58	2.26	131	0	6	11	126	126	0	0	0
	1994	69	3.13	216	0	4	80	140	140	0	0	0
	1995	85	2.94	250	0	5	105	150	150	0	0	0
Belgium-Lux.	1993	14	2.86	40	25	639	23	625	605	0	20	56
	1994	15	2.80	42	56	810	25	850	830	0	20	33
	1995	15	3.00	45	33	840	25	865	825	0	40	28
Denmark	1993	164	2.54	417	0	92	73	436	376	0	60	0
	1994	170	2.53	430	0	124	69	485	415	0	70	0
	1995	170	2.53	430	0	160	60	530	445	0	85	0
Finland	1993	69	1.84	127	3	0	0	129	127	0	2	1
	1994	67	1.61	108	1	14	0	123	118	0	5	0
	1995	75	1.80	135	0	7	0	142	135	0	7	0
France	1993	565	2.74	1 550	37	257	745	1 091	751	0	340	8
	1994	705	2.55	1 800	8	345	875	1 240	960	0	280	38
	1995	840	3.21	2 700	38	345	1 020	1 990	1 590	0	400	73
Germany	1993	1 007	2.83	2 848	123	757	737	2 927	2 533	0	394	64
	1994	1 058	2.74	2 896	64	850	550	3 160	2 700	0	460	100
	1995	985	3.07	3 020	100	1 150	710	3 485	3 040	0	445	75
Greece	1993	0	0.00	0	0	0	0	0	0	0	0	0
	1994	0	0.00	0	0	0	0	0	0	0	0	0
	1995	0	0.00	0	0	0	0	0	0	0	0	0
Ireland	1993	2	2.50	5	0	5	2	8	8	0	0	0
	1994	2	2.50	5	0	7	2	10	10	0	0	0
	1995	2	2.50	5	0	7	1	11	11	0	0	0
Italy	1993	4	1.50	6	0	9	0	15	15	0	0	0
	1994	14	2.00	28	0	2	0	30	30	0	0	0
	1995	35	2.00	70	0	2	0	72	72	0	0	0
Netherlands	1993	2	2.00	4	10	339	14	334	311	0	23	5
	1994	2	2.50	5	5	350	25	330	315	0	15	5
	1995	2	2.50	5	5	400	20	385	360	0	25	5
Portugal	1993	0	0.00	0	0	0	0	0	0	0	0	0
	1994	0	0.00	0	0	0	0	0	0	0	0	0
	1995	0	0.00	0	0	0	0	0	0	0	0	0
Spain	1993	13	1.31	17	0	10	2	25	22	0	3	0
	1994	60	0.88	53	0	10	3	60	57	0	3	0
	1995	72	1.04	75	0	10	5	80	77	0	3	0
Sweden	1993	143	2.20	315	0	0	13	291	260	0	31	10
	1994	150	2.27	340	10	4	10	320	275	0	45	24
	1995	150	2.00	300	24	15	10	315	295	0	20	14
United Kingdom	1993	374	2.83	1 060	0	225	49	1 236	1 136	0	100	0
	1994	497	2.69	1 335	0	300	70	1 565	1 450	0	115	0
	1995	445	2.99	1 330	0	325	60	1 595	1 474	0	121	0
<b>EU-15</b>	1993	2 415	2.70	6 520	198	2 339	1 669	7 243	6 270	0	973	144
	1994	2 809	2.58	7 258	144	2 820	1 709	8 313	7 300	0	1 013	200
	1995	2 876	2.91	8 365	200	3 266	2 016	9 620	8 474	0	1 146	195
Norway	1993	7	1.29	9	7	4	0	13	0	0	13	7
	1994	7	1.29	9	7	4	0	13	0	0	13	7
	1995	7	1.29	9	7	4	0	13	0	0	13	7
Switzerland	1993	17	2.71	46	0	0	0	46	45	0	1	0
	1994	17	2.71	46	0	0	0	46	45	0	1	0
	1995	17	2.71	46	0	0	0	46	45	0	1	0
Bulgaria	1993	0	0.00	0	0	0	0	0	0	0	0	0
	1994	0	0.00	0	0	0	0	0	0	0	0	0
	1995	0	0.00	0	0	0	0	0	0	0	0	0
Czech Rep.	1993	167	2.26	377	0	17	29	365	362	0	3	0
	1994	190	2.38	452	0	13	67	398	395	0	3	0
	1995	250	2.64	660	0	10	150	520	517	0	3	0
Hungary	1993	23	1.13	26	0	0	0	26	23	0	3	0
	1994	25	1.20	30	0	0	0	30	27	0	3	0
	1995	30	1.17	35	0	0	0	35	32	0	3	0
Poland	1993	349	1.70	594	31	17	33	578	525	0	53	31
	1994	370	2.04	756	31	5	3	730	660	0	70	59
	1995	600	2.27	1 360	59	0	525	835	735	0	100	59
Romania	1993	2	0.50	1	0	0	0	1	1	0	0	0
	1994	2	0.50	1	0	0	0	1	1	0	0	0
	1995	2	0.50	1	0	0	0	1	1	0	0	0
Slovakia	1993	38	1.53	58	0	0	0	58	55	0	3	0
	1994	45	2.09	94	0	0	0	94	90	0	4	0
	1995	67	2.39	160	0	0	60	100	95	0	5	0
<b>TOTAL</b>	1993	3 018	2.53	7 631	236	2 377	1 731	8 330	7 281	0	1 049	182
<b>EUROPE</b>	1994	3 465	2.50	8 646	182	2 842	1 779	9 625	8 518	0	1 107	266
	1995	3 849	2.76	10 636	266	3 280	2 751	11 170	9 899	0	1 271	261

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 value are July 1995 forecasts. Import/export data include intra-EU trade.

**Appendix table 9: Supply and use of sunflowerseed in Europe, 1993-95**

Country	Year	Area	Yield	Production	Beg. stocks	Imports	Exports	Total use	Amt crushed	Food use	Feed,seed,waste	Ending stocks
		1,000 ha	Tons/ha				1,000 tons					
Austria	1993	35	2.80	98	0	7	43	62	50	1	11	0
	1994	39	2.31	90	0	5	34	61	50	1	10	0
	1995	36	2.39	86	0	4	27	63	54	1	8	0
Belgium-Lux.	1993	0	0.00	0	20	321	5	316	311	0	5	20
	1994	0	0.00	0	20	325	2	318	313	0	5	25
	1995	0	0.00	0	25	350	2	359	354	0	5	14
Denmark	1993	0	0.00	0	0	6	1	5	0	5	0	0
	1994	0	0.00	0	0	5	0	5	0	5	0	0
	1995	0	0.00	0	0	5	0	5	0	5	0	0
Finland	1993	0	0.00	0	0	10	0	7	7	0	0	3
	1994	0	0.00	0	3	7	0	7	7	0	0	3
	1995	0	0.00	0	3	10	0	12	12	0	0	1
France	1993	820	2.00	1 640	84	194	516	1 302	1 138	0	164	100
	1994	1 025	2.05	2 100	100	160	630	1 630	1 415	0	215	100
	1995	960	2.19	2 100	100	190	650	1 640	1 420	0	220	100
Germany	1993	82	2.61	214	15	331	41	504	484	15	5	15
	1994	189	1.65	311	15	375	30	626	595	15	16	45
	1995	60	3.00	180	45	470	30	650	625	15	10	15
Greece	1993	15	2.53	38	3	30	15	53	51	1	1	3
	1994	15	2.60	39	3	35	16	57	55	1	1	4
	1995	15	2.60	39	4	42	17	64	62	1	1	4
Ireland	1993	0	0.00	0	0	0	0	0	0	0	0	0
	1994	0	0.00	0	0	0	0	0	0	0	0	0
	1995	0	0.00	0	0	0	0	0	0	0	0	0
Italy	1993	116	2.21	256	30	126	0	392	385	7	0	20
	1994	216	2.27	490	20	250	0	730	723	7	0	30
	1995	220	2.27	500	30	280	0	780	773	7	0	30
Netherlands	1993	0	0.00	0	3	427	28	396	377	5	14	6
	1994	0	0.00	0	6	540	30	511	496	5	10	5
	1995	0	0.00	0	5	600	30	570	550	5	15	5
Portugal	1993	102	0.44	45	12	357	0	310	300	0	10	104
	1994	125	0.36	45	104	350	0	395	385	0	10	104
	1995	126	0.40	50	104	350	0	410	400	0	10	94
Spain	1993	1 700	0.71	1 215	0	170	36	1 340	1 100	40	200	9
	1994	1 240	0.79	984	9	325	10	1 285	1 075	40	170	23
	1995	1 000	0.55	550	23	600	0	1 170	1 090	40	40	3
Sweden	1993	0	0.00	0	0	7	0	7	0	7	0	0
	1994	0	0.00	0	0	7	0	7	0	7	0	0
	1995	0	0.00	0	0	10	0	10	0	10	0	0
United Kingdom	1993	0	0.00	0	5	196	17	179	179	0	0	5
	1994	0	0.00	0	5	210	2	198	198	0	0	15
	1995	0	0.00	0	15	230	2	238	238	0	0	5
EU-15	1993	2 870	1.22	3 506	172	2 182	702	4 873	4 382	81	410	285
	1994	2 849	1.42	4 059	285	2 594	754	5 830	5 312	81	437	354
	1995	2 417	1.45	3 505	354	3 141	758	5 971	5 578	84	309	271
Norway	1993	0	0.00	0	0	0	0	0	0	0	0	0
	1994	0	0.00	0	0	0	0	0	0	0	0	0
	1995	0	0.00	0	0	0	0	0	0	0	0	0
Switzerland	1993	0	0.00	0	0	9	0	9	9	0	0	0
	1994	0	0.00	0	0	9	0	9	9	0	0	0
	1995	0	0.00	0	0	10	0	10	10	0	0	0
Bulgaria	1993	470	0.94	440	95	0	48	395	373	12	10	92
	1994	485	1.13	550	92	0	275	245	220	13	12	122
	1995	500	1.30	650	122	0	220	462	438	13	11	90
Czech Rep.	1993	18	2.50	45	0	10	0	55	40	10	5	0
	1994	16	2.38	38	0	15	0	53	33	15	5	0
	1995	15	2.47	37	0	20	0	57	33	20	4	0
Hungary	1993	392	1.79	700	0	17	250	467	443	6	18	0
	1994	414	1.57	650	0	72	250	472	450	7	15	0
	1995	500	1.80	900	0	10	280	630	600	7	23	0
Poland	1993	0	0.00	0	0	0	0	0	0	0	0	0
	1994	0	0.00	0	0	0	0	0	0	0	0	0
	1995	0	0.00	0	0	0	0	0	0	0	0	0
Romania	1993	590	1.18	696	30	0	0	706	681	5	20	20
	1994	582	1.32	767	20	0	0	772	752	5	15	15
	1995	715	1.47	1 050	15	0	125	915	883	7	25	25
Slovakia	1993	32	2.00	64	0	0	0	64	55	5	4	0
	1994	34	1.65	56	0	0	0	56	47	5	4	0
	1995	35	2.20	77	0	0	0	77	68	5	4	0
TOTAL EUROPE	1993	4 372	1.25	5 451	297	2 218	1 000	6 569	5 983	119	467	397
	1994	4 380	1.40	6 120	397	2 690	1 279	7 437	6 823	126	488	491
	1995	4 182	1.49	6 219	491	3 181	1 383	8 122	7 610	136	376	386

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 value are July 1995 forecasts. Import/export data include intra-EU trade.



**Appendix table 10: Supply and use of soybeans in Europe, 1993-95**

Country	Year	Area 1,000 ha	Yield Tons/ha	Production	Beg. stocks	Imports	Exports 1,000 tons	Total use	Amt crushed	Food use	Feed,seed,waste	Ending stocks
Austria	1993	54	2.31	125	0	7	33	99	0	4	95	0
	1994	47	2.23	105	0	5	20	90	0	4	86	0
	1995	20	2.30	46	0	5	5	46	0	5	41	0
Belgium-Lux.	1993	0	0.00	0	108	1 217	17	1 173	1 018	20	135	135
	1994	0	0.00	0	135	1 300	15	1 310	1 150	20	140	110
	1995	0	0.00	0	110	1 275	15	1 265	1 100	20	145	105
Denmark	1993	0	0.00	0	2	60	0	61	61	0	0	1
	1994	0	0.00	0	1	73	0	73	73	0	0	1
	1995	0	0.00	0	1	60	0	60	60	0	0	1
Finland	1993	0	0.00	0	5	114	0	114	114	0	0	5
	1994	0	0.00	0	5	122	0	122	122	0	0	5
	1995	0	0.00	0	5	125	0	125	125	0	0	5
France	1993	55	2.36	130	2	449	15	553	293	5	255	13
	1994	100	2.60	260	13	575	22	816	498	5	313	10
	1995	100	2.60	260	10	575	25	810	500	5	305	10
Germany	1993	1	3.00	3	190	2 785	7	2 881	2 781	50	50	90
	1994	1	3.00	3	90	3 000	5	3 028	2 928	50	50	60
	1995	1	3.00	3	60	2 850	5	2 848	2 748	50	50	60
Greece	1993	2	3.50	7	12	240	0	220	220	0	0	39
	1994	0	0.00	0	39	250	0	250	250	0	0	39
	1995	0	0.00	0	39	240	0	240	240	0	0	39
Ireland	1993	0	0.00	0	0	15	0	15	0	0	15	0
	1994	0	0.00	0	0	18	0	18	0	0	18	0
	1995	0	0.00	0	0	18	0	18	0	0	18	0
Italy	1993	170	3.18	541	200	1 171	2	1 790	1 640	0	150	120
	1994	198	3.29	652	120	1 200	0	1 822	1 702	0	120	150
	1995	190	3.32	630	150	1 200	0	1 830	1 710	0	120	150
Netherlands	1993	0	0.00	0	58	4 137	327	3 828	3 582	15	231	40
	1994	0	0.00	0	40	4 610	300	4 275	4 010	15	250	75
	1995	0	0.00	0	75	4 500	275	4 235	3 970	15	250	65
Portugal	1993	0	0.00	0	18	529	4	510	400	0	110	33
	1994	0	0.00	0	33	780	4	750	650	0	100	59
	1995	0	0.00	0	59	850	4	845	750	0	95	60
Spain	1993	1	1.00	1	17	1 716	1	1 733	1 520	3	210	0
	1994	5	2.20	11	0	2 700	0	2 703	2 360	3	340	8
	1995	5	2.00	10	8	2 700	0	2 712	2 350	2	360	6
Sweden	1993	0	0.00	0	0	8	0	8	0	1	7	0
	1994	0	0.00	0	0	8	0	8	0	1	7	0
	1995	0	0.00	0	0	8	0	8	0	1	7	0
United Kingdom	1993	0	0.00	0	40	663	4	669	609	0	60	30
	1994	0	0.00	0	30	670	2	668	608	0	60	30
	1995	0	0.00	0	30	645	2	643	583	0	60	30
<b>EU-15</b>	1993	283	2.85	807	652	13 111	410	13 654	12 238	98	1 318	506
	1994	351	2.94	1 031	506	15 311	368	15 933	14 351	98	1 484	547
	1995	316	3.00	949	547	15 051	331	15 685	14 136	98	1 451	531
Norway	1993	0	0.00	0	0	221	0	216	216	0	0	5
	1994	0	0.00	0	5	275	0	275	275	0	0	5
	1995	0	0.00	0	5	280	0	280	280	0	0	5
Switzerland	1993	2	2.50	5	0	65	0	70	64	4	2	0
	1994	2	2.50	5	0	95	0	100	94	4	2	0
	1995	2	2.50	5	0	100	0	105	99	4	2	0
Bulgaria	1993	21	0.76	16	0	0	0	16	11	0	5	0
	1994	10	1.10	11	0	0	0	11	6	0	5	0
	1995	8	1.00	8	0	0	0	8	3	0	5	0
Czech Rep.	1993	0	0.00	0	0	15	0	15	7	5	3	0
	1994	0	0.00	0	0	5	0	5	0	4	1	0
	1995	0	0.00	0	0	5	0	5	0	4	1	0
Hungary	1993	16	1.56	25	0	15	20	20	5	1	14	0
	1994	9	1.33	12	0	10	5	17	5	2	10	0
	1995	10	1.50	15	0	10	6	19	5	3	11	0
Poland	1993	0	0.00	0	0	69	0	69	64	5	0	0
	1994	0	0.00	0	0	50	0	50	45	5	0	0
	1995	0	0.00	0	0	5	0	5	0	5	0	0
Romania	1993	77	1.23	95	22	120	0	215	192	5	18	22
	1994	64	1.44	92	22	200	0	314	292	5	17	0
	1995	75	1.67	125	0	200	0	325	290	10	25	0
Slovakia	1993											
	1994											
	1995											
<b>TOTAL</b>	1993	399	2.38	948	674	13 616	430	14 275	12 797	118	1 360	533
<b>EUROPE</b>	1994	436	2.64	1 151	533	15 946	373	16 705	15 068	118	1 519	552
	1995	411	2.68	1 102	552	15 651	337	16 432	14 813	124	1 495	536

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 value are July 1995 forecasts. Import/export data include intra-EU trade.

**Appendix table 11: Supply and use of total oilseeds in Europe, 1993-95**

Country	Year	Area 1,000 ha	Yield Tons/ha	Production	Beg. stocks	Imports	Exports 1,000 tons	Total use	Amt crushed	Food use	Feed,seed,waste	Ending stocks
Austria	1993	147	2.41	354	0	25	87	292	176	10	106	0
	1994	155	2.65	411	0	19	134	296	190	10	96	0
	1995	141	2.71	382	0	19	137	264	204	11	49	0
Belgium-Lux.	1993	14	2.86	40	153	2 189	48	2 123	1 934	29	160	211
	1994	15	2.80	42	211	2 447	45	2 487	2 293	29	165	168
	1995	15	3.00	45	168	2 477	45	2 498	2 279	29	190	147
Denmark	1993	164	2.54	417	2	160	74	504	439	5	60	1
	1994	170	2.53	430	1	204	69	565	490	5	70	1
	1995	170	2.53	430	1	227	60	597	507	5	85	1
Finland	1993	69	1.84	127	8	124	0	250	248	0	2	9
	1994	67	1.61	108	9	143	0	252	247	0	5	8
	1995	75	1.80	135	8	142	0	279	272	0	7	6
France	1993	1 440	2.31	3 320	123	985	1 301	3 006	2 194	53	759	121
	1994	1 830	2.27	4 160	121	1 170	1 550	3 753	2 877	68	808	148
	1995	1 900	2.66	5 060	148	1 200	1 720	4 505	3 514	66	925	183
Germany	1993	1 090	2.81	3 065	338	4 035	793	6 466	5 863	151	425	179
	1994	1 248	2.57	3 210	179	4 393	595	6 972	6 289	152	531	215
	1995	1 046	3.06	3 205	215	4 640	756	7 142	6 480	152	510	160
Greece	1993	367	1.60	588	34	272	40	801	709	1	91	53
	1994	395	1.49	589	53	285	43	811	716	1	94	73
	1995	445	1.44	642	73	282	52	854	752	1	101	91
Ireland	1993	2	2.50	5	0	20	2	23	8	0	15	0
	1994	2	2.50	5	0	25	2	28	10	0	18	0
	1995	2	2.50	5	0	25	1	29	11	0	18	0
Italy	1993	291	2.76	804	230	1 453	2	2 345	2 160	31	154	140
	1994	429	2.73	1 171	140	1 602	0	2 733	2 579	30	124	180
	1995	446	2.69	1 201	180	1 635	0	2 836	2 682	30	124	180
Netherlands	1993	2	2.00	4	79	5 167	529	4 662	4 281	110	271	59
	1994	2	2.50	5	59	5 775	520	5 224	4 831	115	278	95
	1995	2	2.50	5	95	5 770	492	5 293	4 890	110	293	85
Portugal	1993	102	0.44	45	31	915	4	849	726	3	120	138
	1994	125	0.36	45	138	1 170	4	1 185	1 071	4	110	164
	1995	126	0.40	50	164	1 240	4	1 295	1 186	4	105	155
Spain	1993	1 747	0.73	1 283	17	1 995	42	3 244	2 652	77	515	9
	1994	1 344	0.83	1 111	9	3 139	17	4 211	3 502	79	630	31
	1995	1 107	0.61	672	31	3 421	7	4 108	3 527	77	504	9
Sweden	1993	143	2.20	314	0	33	13	324	275	11	38	10
	1994	150	2.27	340	10	36	10	352	289	11	52	24
	1995	150	2.00	300	24	50	10	350	309	14	27	14
United Kingdom	1993	374	2.83	1 060	55	1 241	73	2 238	1 954	124	160	45
	1994	497	2.69	1 335	45	1 340	77	2 588	2 281	132	175	55
	1995	445	2.99	1 330	55	1 365	67	2 638	2 320	137	181	45
EU-15	1993	5 952	1.92	11 426	1 070	18 614	3 008	27 127	23 619	605	2 876	975
	1994	6 429	2.02	12 962	975	21 748	3 066	31 457	27 665	636	3 156	1 162
	1995	6 070	2.22	13 462	1 162	22 493	3 351	32 688	28 933	636	3 119	1 076
Norway	1993	7	1.29	9	7	235	0	239	222	4	13	12
	1994	7	1.29	9	12	289	0	298	281	4	13	12
	1995	7	1.29	9	12	294	0	303	286	4	13	12
Switzerland	1993	19	2.68	51	0	84	0	135	124	8	3	0
	1994	19	2.68	51	0	115	0	166	154	9	3	0
	1995	19	2.68	51	0	120	0	171	160	8	3	0
Bulgaria	1993	498	0.93	462	95	0	48	417	384	12	21	92
	1994	505	1.12	567	92	0	275	262	226	13	23	122
	1995	518	1.28	663	122	0	220	475	441	13	21	90
Czech Rep.	1993	185	2.28	422	0	42	29	435	409	15	11	0
	1994	206	2.38	490	0	33	67	456	428	19	9	0
	1995	265	2.63	697	0	35	150	582	550	24	8	0
Hungary	1993	431	1.74	751	0	33	270	514	471	8	35	0
	1994	448	1.54	692	0	83	255	520	482	10	28	0
	1995	540	1.76	950	0	21	286	685	637	11	37	0
Poland	1993	349	1.70	594	31	86	33	647	589	5	53	31
	1994	370	2.04	756	31	55	3	780	705	5	70	59
	1995	600	2.27	1 360	59	5	525	840	735	5	100	59
Romania	1993	669	1.18	792	52	120	0	922	874	10	38	42
	1994	648	1.33	860	42	200	0	1 087	1 045	10	32	15
	1995	792	1.48	1 176	15	200	125	1 241	1 174	17	50	25
Slovakia	1993	70	1.74	122	0	0	0	122	110	5	7	0
	1994	79	1.90	150	0	0	0	150	137	5	8	0
	1995	102	2.32	237	0	0	60	177	163	5	9	0
TOTAL EUROPE	1993	8 180	1.79	14 629	1 255	19 214	3 388	30 558	26 802	672	3 057	1 152
	1994	8 711	1.90	16 537	1 152	22 523	3 666	35 176	31 123	711	3 342	1 370
	1995	8 913	2.09	18 605	1 370	23 168	4 717	37 162	33 079	723	3 360	1 262

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 value are July 1995 forecasts. Import/export data include intra-EU trade.



**Appendix table 12: Supply and use of beef and veal in Europe, 1993-95**

Country	Year	Slaughter 1,000 head	Production	Beg. stocks	Imports 1,000 tons	Exports	Consumption	End stocks
Austria	1993	780	216	2	3	61	160	0
	1994	750	205	0	2	49	158	0
	1995	810	221	0	2	62	161	0
Belgium-Lux.	1993	1 123	375	3	8	148	234	4
	1994	1 070	358	4	27	147	238	4
	1995	1 075	358	4	33	154	237	4
Denmark	1993	800	200	58	46	157	108	39
	1994	780	193	39	48	159	109	12
	1995	750	188	12	50	128	110	12
Finland	1993	454	107	5	0	14	93	5
	1994	444	104	5	0	12	92	5
	1995	460	110	5	0	11	91	5
France	1993	6 262	1 704	203	428	542	1 709	84
	1994	5 950	1 620	84	437	527	1 613	1
	1995	6 050	1 670	1	446	498	1 619	0
Germany	1993	5 326	1 575	174	400	580	1 552	17
	1994	4 950	1 570	17	380	600	1 367	0
	1995	4 900	1 570	0	400	600	1 370	0
Greece	1993	283	80	14	145	1	225	13
	1994	318	85	13	140	1	232	5
	1995	312	85	5	144	1	231	2
Ireland	1993	1 607	484	483	9	515	61	400
	1994	1 460	426	400	9	613	62	160
	1995	1 490	435	160	9	372	62	170
Italy	1993	4 865	1 190	52	470	100	1 490	172
	1994	4 750	1 170	172	477	87	1 535	197
	1995	4 740	1 165	197	470	90	1 535	207
Netherlands	1993	2 487	611	2	124	443	293	1
	1994	2 450	600	1	140	440	300	1
	1995	2 275	575	1	130	420	285	1
Portugal	1993	498	116	19	56	1	172	18
	1994	497	114	18	61	2	173	18
	1995	490	112	18	66	3	175	18
Spain	1993	2 008	488	15	85	69	518	1
	1994	2 124	504	1	80	70	515	0
	1995	2 074	505	0	80	70	515	0
Sweden	1993	532	140	2	22	11	151	2
	1994	519	138	2	21	8	151	2
	1995	567	152	2	18	19	151	2
United Kingdom	1993	2 956	863	185	312	173	1 031	156
	1994	3 117	924	156	266	198	1 071	77
	1995	3 232	955	77	278	203	1 049	58
<b>EU-15</b>	1993	29 981	8 149	1 217	2 108	2 815	7 797	912
	1994	29 179	8 011	912	2 088	2 913	7 616	482
	1995	29 225	8 101	482	2 126	2 631	7 591	479
Norway	1993							
	1994							
	1995							
Switzerland	1993	775	155	6	10	0	170	1
	1994	751	150	1	10	0	160	1
	1995	749	150	1	11	0	161	1
Bulgaria	1993	559	123	5	20	1	142	5
	1994	550	121	5	10	1	130	5
	1995	350	78	5	15	1	93	4
Czech Rep.	1993	726	380	46	3	5	382	42
	1994	732	350	42	3	5	350	40
	1995	---	---	---	---	---	---	---
Hungary	1993	325	95	33	3	40	70	21
	1994	---	---	---	---	---	---	---
	1995	---	---	---	---	---	---	---
Poland	1993	3 640	462	10	28	18	472	10
	1994	3 305	440	10	24	15	449	10
	1995	2 950	400	10	30	15	415	10
Romania	1993	819	172	35	1	6	172	30
	1994	815	170	30	1	5	151	45
	1995	783	163	45	1	5	164	40
Slovakia	1993	---	98	---	1	25	76	3
	1994	---	78	3	1	15	63	4
	1995	---	61	4	1	1	61	4
<b>TOTAL</b>	1993	36 825	9 634	1 352	2 174	2 910	9 281	1 024
<b>EUROPE</b>	1994	35 332	9 320	1 003	2 137	2 954	8 919	587
	1995	34 057	8 953	547	2 184	2 653	8 485	538

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 values are July 1995 forecasts. Import/export data include intra-EU trade.

**Appendix table 13: Supply and use of pork in Europe, 1993-95**

Country	Year	Slaughter 1,000 head	Production	Beg. stocks	Imports 1,000 tons	Exports	Consumption	End stocks
Austria	1993	5 306	413	2	1	12	404	0
	1994	5 458	425	0	0	14	409	2
	1995	5 208	407	2	1	0	410	0
Belgium-Lux.	1993	11 015	988	0	81	466	603	0
	1994	10 698	996	0	81	471	606	0
	1995	10 700	997	0	90	479	608	0
Denmark	1993	20 000	1 527	101	19	1 115	396	136
	1994	20 600	1 557	136	25	1 190	428	100
	1995	20 600	1 560	100	25	1 185	400	100
Finland	1993	2 203	168	5	0	11	157	5
	1994	2 190	168	5	0	10	158	5
	1995	---	---	---	---	---	---	---
France	1993	24 110	2 151	0	406	332	2 225	0
	1994	24 800	2 210	0	411	350	2 271	0
	1995	24 550	2 190	0	415	330	2 275	0
Germany	1993	41 508	3 180	0	876	132	3 924	0
	1994	39 050	3 050	0	890	125	3 815	0
	1995	38 500	3 000	0	895	120	3 775	0
Greece	1993	2 258	150	19	70	0	215	24
	1994	2 138	144	24	71	0	225	14
	1995	2 170	147	14	75	0	228	8
Ireland	1993	3 087	213	0	18	91	140	0
	1994	3 200	220	0	18	93	145	0
	1995	3 260	224	0	18	92	150	0
Italy	1993	12 241	1 371	62	625	50	1 902	266
	1994	12 000	1 340	266	600	52	1 923	231
	1995	12 100	1 350	231	616	50	1 956	191
Netherlands	1993	20 300	1 750	5	77	1 005	822	5
	1994	19 500	1 677	5	93	1 014	756	5
	1995	20 900	1 755	5	60	1 005	810	5
Portugal	1993	4 085	284	14	37	2	315	13
	1994	4 350	302	13	30	2	325	18
	1995	4 400	306	18	30	2	330	22
Spain	1993	26 933	2 088	0	50	46	2 090	2
	1994	27 230	2 148	2	54	75	2 129	0
	1995	27 930	2 130	0	43	80	2 093	0
Sweden	1993	3 610	291	2	14	16	289	2
	1994	3 812	305	2	13	12	306	2
	1995	3 884	311	2	16	16	311	2
United Kingdom	1993	14 714	1 025	12	469	105	1 391	10
	1994	15 075	1 046	10	461	121	1 383	13
	1995	14 574	1 010	13	473	109	1 376	11
EU-15	1993	191 370	15 599	222	2 743	3 383	14 873	463
	1994	190 101	15 588	463	2 747	3 529	14 879	390
	1995	188 776	15 387	385	2 757	3 468	14 722	339
Norway	1993	DATA NOT AVAILABLE						
	1994							
	1995							
Switzerland	1993	3 173	260	2	8	0	267	3
	1994	3 163	261	3	8	0	269	3
	1995	3 161	260	3	9	0	269	3
Bulgaria	1993	3 618	265	4	4	1	268	4
	1994	2 700	196	4	4	0	201	3
	1995	2 000	146	3	4	0	150	3
Czech Rep.	1993	6 410	685	82	1	10	679	79
	1994	5 622	660	79	1	10	655	75
	1995	---	---	---	---	---	---	---
Hungary	1993	6 715	500	50	7	45	480	32
	1994	5 654	413	32	8	50	358	45
	1995	5 448	395	45	8	45	363	40
Poland	1993	22 827	1 537	40	49	11	1 585	30
	1994	18 691	1 290	30	100	18	1 372	30
	1995	21 400	1 460	30	20	20	1 450	40
Romania	1993	5 577	373	35	1	55	318	25
	1994	5 600	375	25	1	50	323	28
	1995	5 850	390	28	1	50	339	30
Slovakia	1993	DATA NOT AVAILABLE						
	1994							
	1995							
TOTAL	1993	239 690	19 219	435	2 813	3 505	18 470	636
EUROPE	1994	231 531	18 783	636	2 869	3 657	18 057	574
	1995	226 635	18 038	494	2 799	3 583	17 293	455

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 values are July 1995 forecasts. Import/export data include intra-EU trade.



Appendix table 14: Supply and use of poultry in Europe, 1993-95

Country	Year	Production	Beg. stocks	Imports	Exports	Consumption	End stocks
				1,000 tons			
Austria	1993	91	0	15	0	106	0
	1994	93	0	16	0	109	0
	1995	---	---	---	---	---	---
Belgium-Lux.	1993	196	0	73	105	164	0
	1994	200	0	75	108	167	0
	1995	204	0	76	112	168	0
Denmark	1993	162	25	14	112	70	19
	1994	175	19	30	139	74	11
	1995	187	11	22	135	76	9
Finland	1993	34	4	0	0	36	2
	1994	36	2	0	0	36	2
	1995	---	---	---	---	---	---
France	1993	1 875	81	76	714	1 213	72
	1994	1 901	72	74	728	1 234	85
	1995	1 865	85	63	686	1 247	80
Germany	1993	615	0	503	114	1 004	0
	1994	621	0	510	125	1 006	0
	1995	627	0	512	130	1 009	0
Greece	1993	173	25	14	3	180	29
	1994	175	29	14	3	186	29
	1995	177	29	14	3	188	29
Ireland	1993	81	0	8	0	89	0
	1994	---	---	---	---	---	---
	1995	---	---	---	---	---	---
Italy	1993	1 061	0	46	42	1 065	0
	1994	1 073	0	43	47	1 069	0
	1995	1 068	0	43	47	1 064	0
Netherlands	1993	565	23	212	483	292	25
	1994	585	25	210	490	300	30
	1995	---	---	---	---	---	---
Portugal	1993	238	5	4	11	231	5
	1994	242	5	6	13	235	5
	1995	244	5	8	14	239	4
Spain	1993	840	0	88	11	917	0
	1994	860	0	100	12	948	0
	1995	885	0	105	13	977	0
Sweden	1993	DATA NOT AVAILABLE					
	1994						
	1995						
United Kingdom	1993	1 244	41	173	99	1 327	32
	1994	1 280	32	170	101	1 350	31
	1995	1 290	31	170	92	1 372	27
EU-15	1993	7 175	204	1 226	1 694	6 694	184
	1994	7 241	184	1 248	1 766	6 714	193
	1995	6 547	161	1 013	1 232	6 340	149
Norway	1993	DATA NOT AVAILABLE					
	1994						
	1995						
Switzerland	1993	37	0	42	0	79	0
	1994	---	---	---	---	---	---
	1995	---	---	---	---	---	---
Bulgaria	1993	175	0	0	0	175	0
	1994	---	---	---	---	---	---
	1995	---	---	---	---	---	---
Czech Rep.	1993	DATA NOT AVAILABLE					
	1994						
	1995						
Hungary	1993	307	20	1	87	221	20
	1994	320	20	0	90	230	20
	1995	315	20	0	90	225	20
Poland	1993	300	20	72	15	362	5
	1994	330	5	70	15	385	5
	1995	350	5	72	17	400	10
Romania	1993	160	8	50	3	205	10
	1994	180	10	60	3	227	20
	1995	190	20	50	5	245	10
Slovakia	1993	DATA NOT AVAILABLE					
	1994						
	1995						
<b>TOTAL</b>	1993	8 154	252	1 391	1 799	7 736	219
<b>EUROPE</b>	1994	8 071	219	1 378	1 874	7 556	238
	1995	7 402	206	1 135	1 344	7 210	189

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 values are July 1995 forecasts. Import/export data include intra-EU trade.

**Appendix table 15: Supply and use of butter in Europe, 1993-95**

Country	Year	Production	Beg. stocks	Imports	Exports	Consumption	End stocks
				1,000 tons			
Austria	1993	43	2	0	0	44	4
	1994	42	4	0	3	41	2
	1995	44	2	0	0	42	4
Belgium-Lux.	1993	73	17	125	148	59	8
	1994	72	8	132	145	60	7
	1995	72	7	136	150	60	5
Denmark	1993	59	2	17	48	30	0
	1994	59	0	15	48	26	0
	1995	58	0	16	48	26	0
Finland	1993	57	6	0	18	37	8
	1994	57	8	0	20	37	8
	1995	57	8	0	20	37	8
France	1993	475	24	127	97	509	20
	1994	470	20	134	85	519	20
	1995	470	20	131	85	516	20
Germany	1993	480	20	142	71	556	15
	1994	470	15	152	65	557	15
	1995	475	15	147	64	558	15
Greece	1993	7	2	6	0	13	2
	1994	6	2	6	0	13	1
	1995	6	1	6	0	12	1
Ireland	1993	135	112	2	125	14	100
	1994	135	110	2	140	14	93
	1995	132	93	2	119	14	94
Italy	1993	73	26	44	20	100	23
	1994	72	23	50	19	100	26
	1995	72	26	50	19	100	29
Netherlands	1993	184	20	102	221	58	27
	1994	157	27	59	168	55	20
	1995	160	20	45	155	50	20
Portugal	1993	17	4	0	5	14	2
	1994	18	2	1	4	15	2
	1995	18	2	1	3	16	2
Spain	1993	25	35	8	10	17	41
	1994	19	41	6	29	17	20
	1995	15	20	7	20	17	5
Sweden	1993	69	3	0	21	48	3
	1994	72	3	0	23	48	4
	1995	72	4	0	25	48	3
United Kingdom	1993	108	41	110	62	177	20
	1994	105	20	118	63	166	14
	1995	110	14	125	66	166	17
EU-15	1993	1 805	314	683	846	1 676	273
	1994	1 754	283	675	812	1 668	232
	1995	1 761	232	666	774	1 662	223
Norway	1993	22	3	0	5	16	4
	1994	---	---	---	---	---	---
	1995	---	---	---	---	---	---
Switzerland	1993	38	5	6	0	44	5
	1994	38	5	6	0	44	5
	1995	39	5	5	0	44	5
Bulgaria	1993	DATA NOT AVAILABLE					
	1994						
	1995						
Czech Rep.	1993	DATA NOT AVAILABLE					
	1994						
	1995						
Hungary	1993	DATA NOT AVAILABLE					
	1994						
	1995						
Poland	1993	190	19	9	19	184	15
	1994	160	15	0	6	165	4
	1995	150	4	5	0	155	4
Romania	1993	14	4	2	0	18	2
	1994	16	2	8	0	24	2
	1995	17	2	8	0	25	2
Slovakia	1993	DATA NOT AVAILABLE					
	1994						
	1995						
<b>TOTAL EUROPE</b>	1993	2 069	345	700	870	1 938	299
	1994	1 968	305	689	818	1 901	243
	1995	1 967	243	684	774	1 886	234

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 values are July 1995 forecasts. Import/export data include intra-EU trade.



**Appendix table 16: Supply and use of cheese in Europe, 1993-95**

Country	Year	Production	Beg. stocks	Imports	Exports	Consumption	End stocks
				1,000 tons			
Austria	1993	84	8	17	32	69	8
	1994	86	8	19	36	69	8
	1995	85	8	20	35	70	8
Belgium-Lux.	1993	52	3	178	100	129	4
	1994	53	4	180	105	129	3
	1995	54	3	184	105	133	3
Denmark	1993	321	50	19	260	80	50
	1994	285	50	19	239	80	35
	1995	295	35	19	239	81	29
Finland	1993	76	9	3	26	53	9
	1994	75	9	3	24	54	9
	1995	75	9	4	25	55	8
France	1993	1 509	4	127	371	1 263	6
	1994	1 540	6	120	363	1 297	6
	1995	1 540	6	120	352	1 308	6
Germany	1993	821	58	400	297	916	66
	1994	830	66	410	300	946	60
	1995	835	60	410	300	950	55
Greece	1993	203	81	50	13	235	86
	1994	202	86	50	13	236	89
	1995	210	89	50	15	245	89
Ireland	1993	94	2	10	73	18	15
	1994	89	15	10	80	19	15
	1995	95	15	10	86	19	15
Italy	1993	885	704	284	111	1 040	722
	1994	882	722	285	115	1 052	722
	1995	880	722	285	120	1 035	732
Netherlands	1993	637	107	82	503	218	105
	1994	655	105	75	495	225	115
	1995	660	115	65	500	230	110
Portugal	1993	65	0	6	3	68	0
	1994	64	0	7	2	69	0
	1995	63	0	9	2	70	0
Spain	1993	162	31	55	14	206	28
	1994	166	28	60	17	209	28
	1995	170	28	62	18	214	28
Sweden	1993	125	40	20	4	140	41
	1994	127	41	20	4	147	37
	1995	127	37	20	4	148	32
United Kingdom	1993	330	163	189	58	469	155
	1994	330	155	187	59	466	147
	1995	322	147	188	60	460	137
EU-15	1993	5 364	1 260	1 440	1 865	4 904	1 295
	1994	5 384	1 295	1 445	1 852	4 998	1 274
	1995	5 411	1 274	1 446	1 861	5 018	1 252
Norway	1993	78	24	2	23	57	24
	1994	---	---	---	---	---	---
	1995	---	---	---	---	---	---
Switzerland	1993	138	20	29	60	109	18
	1994	137	18	31	59	108	19
	1995	137	19	32	59	109	20
Bulgaria	1993	DATA NOT AVAILABLE					
	1994						
	1995						
Czech Rep.	1993	DATA NOT AVAILABLE					
	1994						
	1995						
Hungary	1993	DATA NOT AVAILABLE					
	1994						
	1995						
Poland	1993	113	16	12	6	115	20
	1994	123	20	6	16	114	19
	1995	125	19	8	15	114	23
Romania	1993	90	7	3	0	96	4
	1994	90	4	3	0	90	7
	1995	90	7	1	0	92	6
Slovakia	1993	DATA NOT AVAILABLE					
	1994						
	1995						
TOTAL EUROPE	1993	5 783	1 327	1 486	1 954	5 281	1 361
	1994	5 734	1 337	1 485	1 927	5 310	1 319
	1995	5 763	1 319	1 487	1 935	5 333	1 301

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 values are July 1995 forecasts. Import/export data include intra-EU trade.



**Appendix table 17: Supply and use of fluid milk in Europe, 1993-95**

Country	Year	Milk cows 1,000 head	Production	Imports	Exports	Total use 1,000 tons	Feed use	Fluid use	Factory use	Other milk prod.
Austria	1993	818	3 237	0	15	3 236	499	1 104	1 633	14
	1994	802	3 220	0	10	3 225	438	1 120	1 667	15
	1995	778	3 195	4	60	3 154	356	1 128	1 670	15
Belgium-Lux.	1993	792	3 598	405	816	3 187	187	410	2 590	0
	1994	757	3 533	400	750	3 183	190	403	2 590	0
	1995	722	3 500	375	700	3 175	195	400	2 580	0
Denmark	1993	708	4 661	5	22	4 644	125	570	3 949	0
	1994	711	4 640	5	22	4 623	125	578	3 920	0
	1995	685	4 640	5	22	4 623	125	590	3 908	0
Finland	1993	407	2 443	0	0	2 443	50	713	1 680	0
	1994	400	2 433	0	0	2 433	49	707	1 677	0
	1995	400	2 433	0	0	2 433	50	710	1 673	0
France	1993	4 674	24 992	356	765	25 187	480	4 480	20 227	604
	1994	4 615	25 120	545	946	25 309	500	4 500	20 309	590
	1995	4 600	25 300	500	950	25 450	500	4 500	20 450	600
Germany	1993	5 365	28 080	187	1 794	26 473	1 459	5 708	19 306	0
	1994	5 301	28 050	187	1 630	26 607	1 400	5 800	19 407	0
	1995	5 250	28 000	190	1 740	26 450	1 400	5 750	19 300	0
Greece	1993	233	752	144	0	1 993	0	865	1 128	1 097
	1994	230	750	146	0	1 996	0	866	1 130	1 100
	1995	231	751	145	0	1 996	0	867	1 129	1 100
Ireland	1993	1 262	5 529	90	39	5 580	200	665	4 715	0
	1994	1 274	5 523	80	40	5 563	200	675	4 688	0
	1995	1 276	5 523	70	50	5 543	200	680	4 663	0
Italy	1993	2 317	10 400	1 588	7	12 808	0	4 100	8 708	827
	1994	2 277	10 180	1 730	4	12 733	0	4 000	8 733	827
	1995	2 240	9 980	1 850	3	12 654	0	4 000	8 654	827
Netherlands	1993	1 747	10 953	738	121	11 576	418	1 974	9 184	6
	1994	1 710	10 750	695	120	11 330	400	1 850	9 080	5
	1995	1 700	10 710	635	115	11 235	390	1 775	9 070	5
Portugal	1993	381	1 453	10	10	1 592	0	760	832	139
	1994	375	1 424	20	35	1 548	0	765	783	139
	1995	370	1 395	30	30	1 535	0	770	765	140
Spain	1993	1 360	6 130	289	27	7 092	150	4 200	2 742	700
	1994	1 300	6 000	400	26	7 104	150	4 200	2 754	730
	1995	1 250	5 600	650	21	6 979	150	4 200	2 629	750
Sweden	1993	490	3 349	2	0	3 351	66	1 421	1 864	0
	1994	500	3 455	2	0	3 457	66	1 423	1 968	0
	1995	500	3 455	2	0	3 457	66	1 420	1 971	0
United Kingdom	1993	2 279	14 432	95	103	14 424	450	6 966	7 008	0
	1994	2 318	14 486	80	111	14 455	430	6 940	7 085	0
	1995	2 310	14 395	100	95	14 400	400	6 910	7 090	0
EU-15	1993	22 833	120 009	3 909	3 719	123 586	4 084	33 936	85 566	3 387
	1994	22 570	119 564	4 290	3 694	123 566	3 948	33 827	85 791	3 406
	1995	22 312	118 877	4 556	3 786	123 084	3 832	33 700	85 552	3 437
Norway	1993	320	1 820	0	0	1 846	45	765	1 036	26
	1994	---	---	---	---	---	---	---	---	---
	1995	---	---	---	---	---	---	---	---	---
Switzerland	1993	753	3 862	23	0	3 902	685	710	2 507	17
	1994	746	3 865	23	0	3 904	655	705	2 544	16
	1995	740	3 864	23	0	3 903	652	703	2 548	16
Bulgaria	1993									
	1994									
	1995									
Czech Rep.	1993									
	1994									
	1995									
Hungary	1993									
	1994									
	1995									
Poland	1993	4 111	12 650	5	0	12 685	820	6 265	5 600	30
	1994	3 866	11 920	5	0	11 955	720	5 975	5 260	30
	1995	3 763	11 770	0	0	11 805	700	5 805	5 300	30
Romania	1993	1 530	3 765	0	0	4 365	210	2 580	1 575	600
	1994	1 500	4 020	0	0	4 640	220	2 760	1 660	620
	1995	1 520	4 180	0	0	4 805	220	2 885	1 700	625
Slovakia	1993									
	1994									
	1995									
TOTAL	1993	29 547	142 106	3 937	3 719	146 384	5 844	44 256	96 284	4 060
EUROPE	1994	28 682	139 369	4 318	3 694	144 065	5 543	43 267	95 255	4 072
	1995	28 335	138 691	4 579	3 786	143 597	5 404	43 093	95 100	4 108

Source: USDA, Economic Research Service. Data for 1994 are preliminary; 1995 values are July 1995 forecasts. Import/export data include intra-EU trade.



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